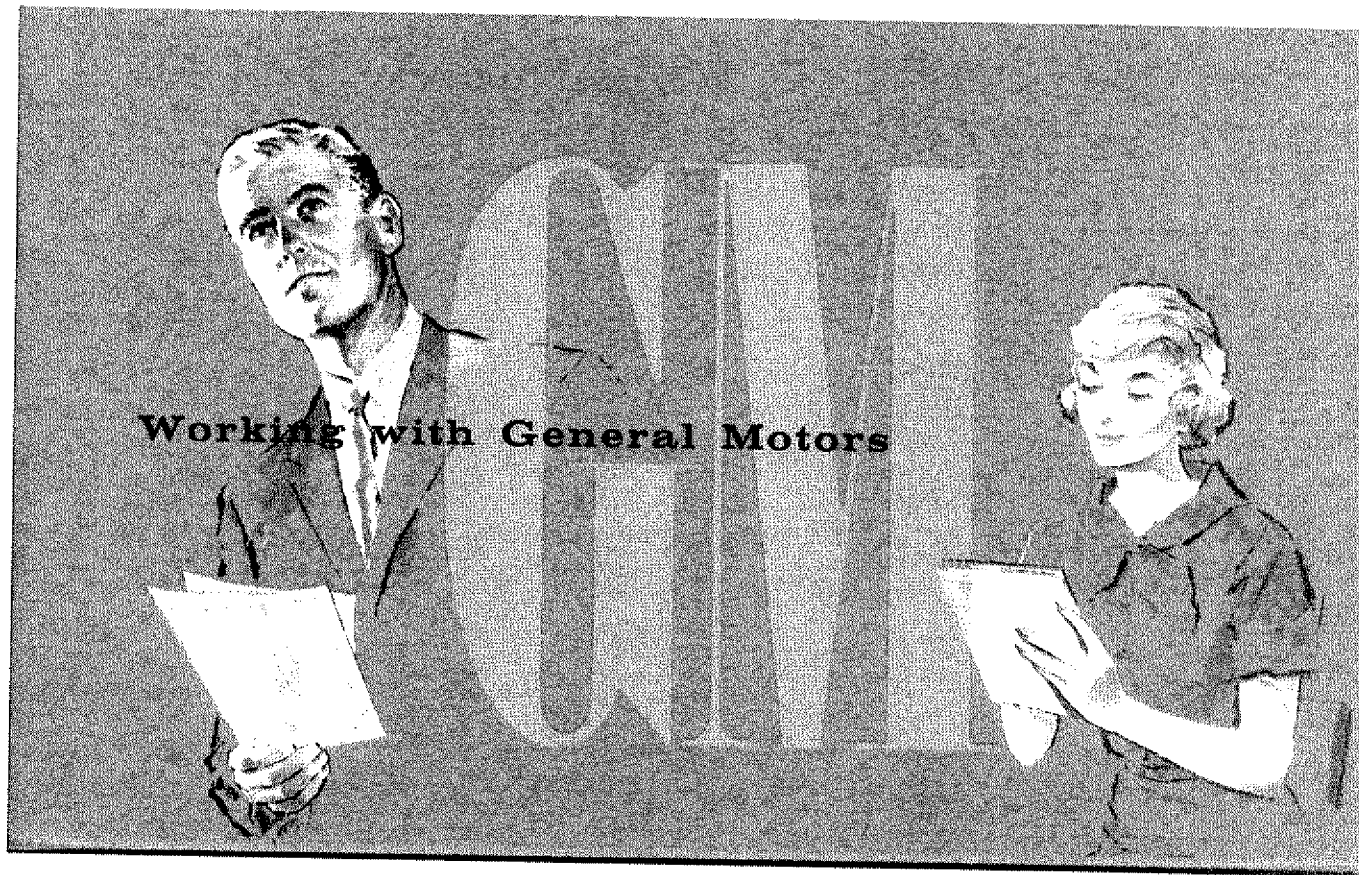



**Annex A**

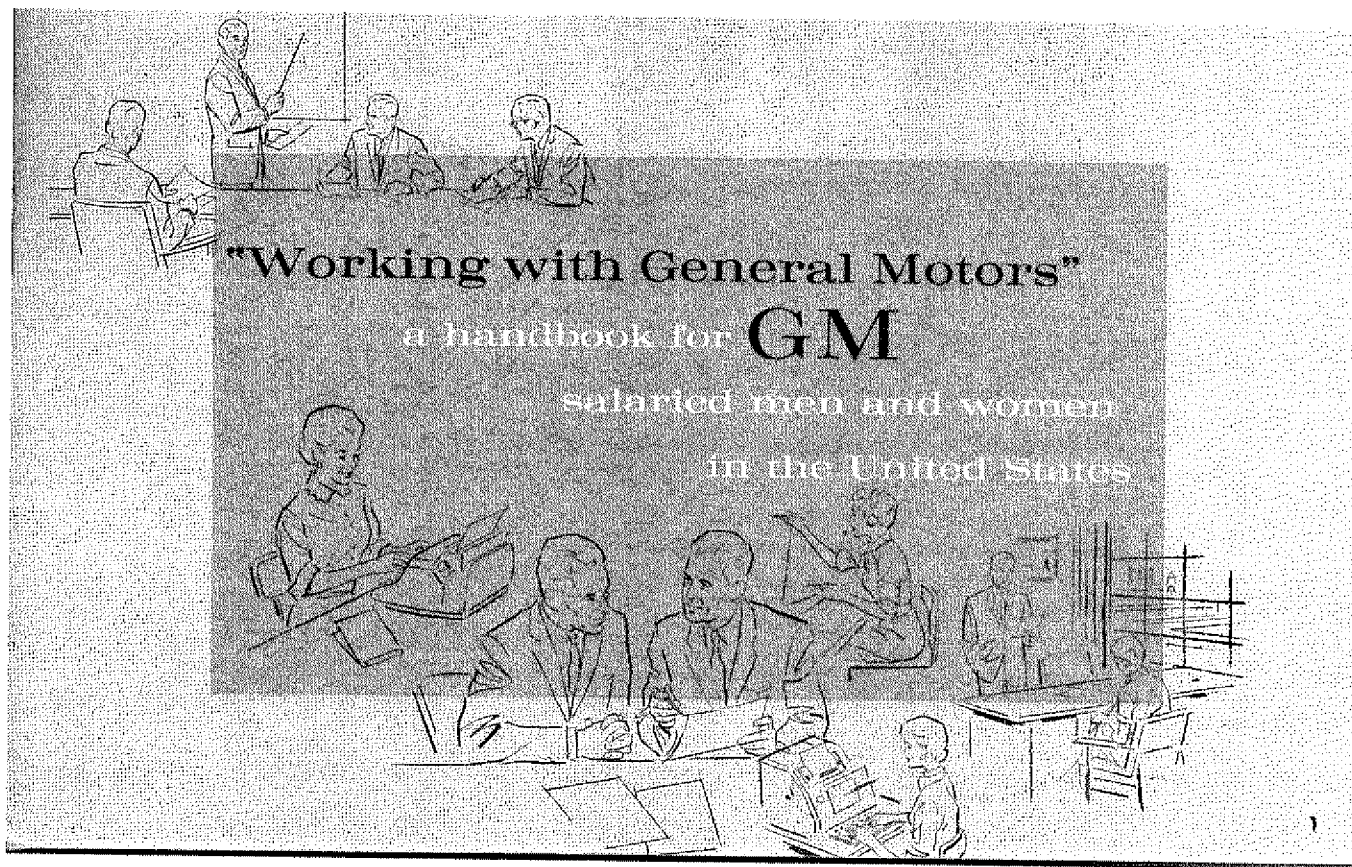




In the course of your career with General Motors, questions may arise regarding GM policies and procedures as they apply to you. This booklet is designed to give you the answers. You will find it worth reading now—and keeping for future reference.

Revised August, 1963

This handbook ("Working with General Motors") supersedes in all respects all previously published editions of handbooks for General Motors salaried men and women dealing with employment policies and procedures.





JOHN F. GORDON



FREDERIC G. DONNER

## TO EACH SALARIED EMPLOYEE:

This handbook reviews for you the personnel policies and procedures that guide our relationships as we work together in GM. You will also read about some of the advantages enjoyed by GM salaried employees, their responsibilities, and the opportunities available to those ready and able to accept them.

We believe that a job with General Motors means more than good pay, good working conditions and good employee benefit plans. These are important. But working with General Motors offers considerations of a higher order—the satisfaction to be gained from a job that calls forth your best efforts . . . the prestige you enjoy as part of a great enterprise and a sense

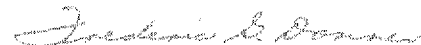
of pride from sharing in its achievements . . . the help and cooperation of supervisors and fellow employes . . . a high degree of job security along with unusual opportunity to develop your abilities and have them recognized and rewarded.

In this climate of accomplishment, GM people find it easy and natural to apply themselves to the job at hand with enthusiasm. They *want* to do their best. It is this individual desire for excellence that has brought success to General Motors and its people. Our future depends upon the continuation and growth of such attitudes throughout GM.

Through the years, GM personnel policies and practices have been keyed to one basic principle—a sincere belief on the part of management that YOU ARE IMPORTANT, whatever your job may be. We want you to recognize your own potential, and work toward its fulfillment.

We hope that your career will bring you the deeply rewarding and satisfying experience that can be yours—working with General Motors.

  
President

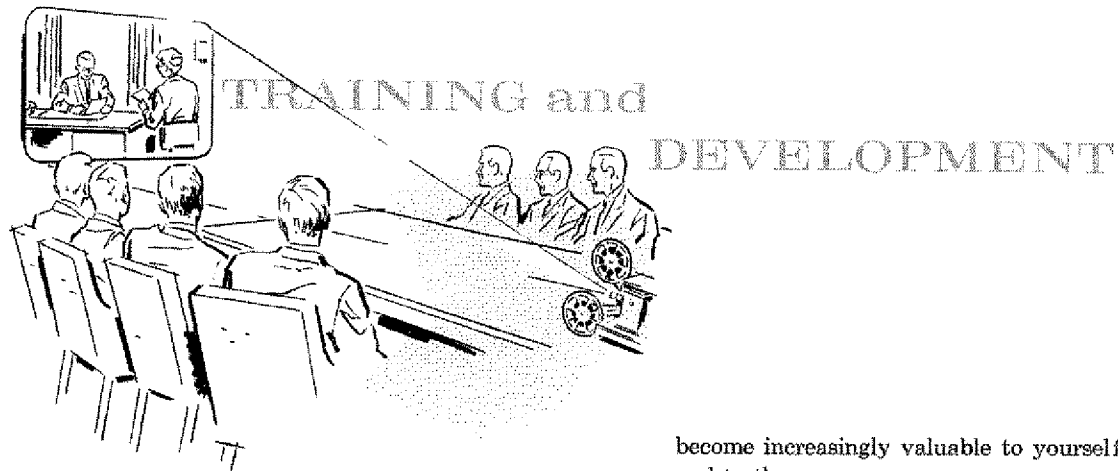
  
Chairman

## OPPORTUNITIES AHEAD

Working with General Motors you are part of a dynamic, growing company. This growth and progress means a steady flow of opportunities for better jobs. GM is always looking for people of ability and character who can grow with GM and take on broader duties and responsibilities.

GM's policy is to *fill openings by promotions from within the company* whenever possible. Employees who show special ability and a capacity for growth, and who prepare themselves for the job ahead, can advance to bigger and better jobs in General Motors.

Many opportunities lie ahead in GM. Your individual progress will be as great as you make it through your contribution to the success of the business.



If you are ambitious to make progress, you will find that General Motors is anxious to help you do so. GM is vitally interested in seeing that you develop your talents and abilities so that you will

become increasingly valuable to yourself and to the company.

GM endeavors to provide the kind of environment that will encourage the sound and steady development of each individual. It is up to you to provide the initiative, energy and perseverance you need in order to learn and grow.



The environment provided by GM includes the following elements:

- *Continuous on-the-job guidance and training.* This is an important part of your supervisor's job. You will learn much from him and from others around you who pass along their knowledge and skill to you.
- *Periodic review and appraisal* of your job performance and your qualifications for other responsibilities in the future. Your supervisor will discuss your performance with you so that you will know where you stand and how you are doing.
- *Training programs* conducted within the plant, or at General Motors

Institute, covering a variety of subjects to help you in your work.

- *The GM Tuition Refund Plan*, which provides financial aid for those who want to continue their formal education. You may wish to work toward a college degree or take special college courses in subjects *related to your work*. If you take, and successfully complete, one or more courses that have been approved and that qualify under the Tuition Refund Plan, GM will refund to you the full amount of the tuition you pay for such courses, up to \$250 per year.

Your supervisor will be glad to talk with you about the training that will be helpful in your development.



GM makes a sincere effort to pay people fairly. It has established a position classification system with salary ranges which provide for adequate differentials among positions of varying responsibilities. This permits individual consideration so that each employe is paid in accordance with his responsibilities and performance.

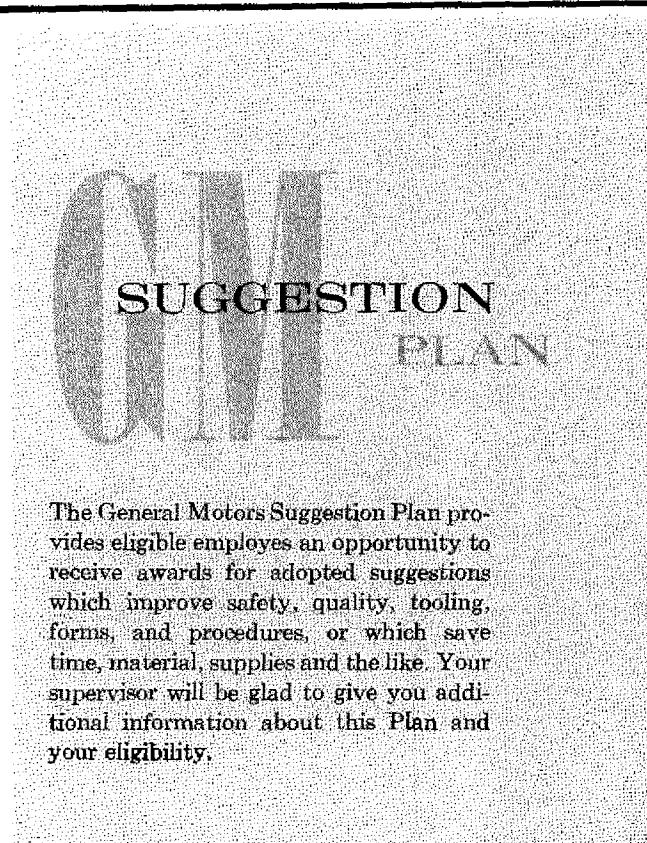
When you start to work for General Motors, you are paid a salary related to your immediate responsibilities. From then on your salary progress depends upon how successfully you as an individual apply yourself. Your salary will be reviewed periodically. Merit increases will be granted in recognition of improved performance. At your request, your supervisor will inform you of your present classification and its salary range. Qualifying for promotion to a more responsible position will provide you with further opportunity to increase your salary.

Depending upon classification and salary, employes may be eligible for a cost-of-living allowance, which is computed on the basis of the Consumer Price Index of the U.S. Bureau of Labor Statistics and is

paid quarterly; and for overtime and night shift premiums in keeping with GM's established policy. Your supervisor will explain how these policies apply to you.

#### **Bonus Plan**

As responsibilities increase, additional incentive compensation is also a possibility through the General Motors Bonus Plan. Under this Plan, employees who have attained the minimum salary eligibility level established yearly by the Bonus and Salary Committee are eligible for consideration for bonus awards. In recent years, about 14,000 salaried employees each year have been granted such awards in recognition of their performance and contribution to the success of General Motors. The amount available for distribution through the Bonus Plan depends upon GM's earnings.

The advertisement features the General Motors logo on the left, which is a large, stylized 'GM' in a dark, textured font. To the right of the logo, the words 'SUGGESTION' and 'PLAN' are stacked vertically in a bold, sans-serif font. Below the logo and text, there is a block of text describing the plan. The entire advertisement is set against a light, textured background.

**GM**  
**SUGGESTION**  
**PLAN**

The General Motors Suggestion Plan provides eligible employees an opportunity to receive awards for adopted suggestions which improve safety, quality, tooling, forms, and procedures, or which save time, material, supplies and the like. Your supervisor will be glad to give you additional information about this Plan and your eligibility.

## EMPLOYEE BENEFIT PROGRAMS

As a General Motors salaried employee, you enjoy the very real advantages of three major benefit programs:

1. The Insurance Program
2. The Savings—Stock Purchase Program
3. The Retirement Program

You will find that these programs provide invaluable help in your efforts to gain financial security for yourself and your family. They are designed to help you help yourself—not to replace individual initiative and responsibility.

GM contributes substantially to the cost of each of these programs, and pays the cost of administering them. Because of this, these programs can speed you toward your financial goals at a faster pace.

On the following pages you will find a brief description of each of these programs. More complete information about each is provided in separate booklets available to you for the asking. You owe it to yourself to be informed about how these programs affect you and your family.

## THE INSURANCE PROGRAM

General Motors offers, at little cost to you, substantial protection against loss of income or heavy expense caused by illness, accident or death. Depending on your length of service and salary, you may obtain the following kinds of protection through the GM Insurance Program:

Term Life Insurance up to twice your annual base salary.

Continued Life Insurance after age 65 equal to 15% to 30% of your Term Life Insurance.

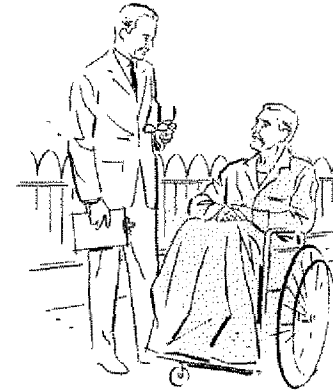
Extra Accident Insurance paid in case of death, or certain injuries, caused accidentally.

Sickness and Accident Insurance to provide income while you are

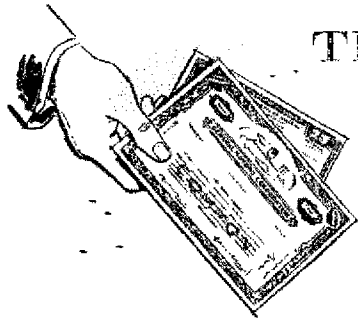
unable to work because of illness or accident.

Your Term Life Insurance paid to you in instalments in case of total and permanent disability.

Hospital, Surgical and Medical Expense benefits, including important supplementary coverages under the Comprehensive Medical Expense Insurance Program.



*For further information, see the following publications: "The Improved General Motors Insurance Program," and "Your Comprehensive Medical Expense Insurance Program."*



## THE SAVINGS— STOCK PURCHASE PROGRAM

The General Motors Savings—Stock Purchase Program provides a sound and systematic way for you to build up your savings and at the same time become an owner of the business.

You may save up to 10% of your salary, by payroll deductions. To help your savings grow, General Motors contributes \$1 for every \$2 you save. All of this money is turned over to a Trustee who invests it for you. Of the amount you save, one-half is invested in U.S. Government obligations. The other half

is invested in General Motors common stock. All of the amount contributed by GM is invested in General Motors common stock. Dividends and interest on these investments are credited to your account.

Through this Program you share in the benefits of stock ownership. And you get the important advantage of GM's contribution added to your own savings.

Detailed information about this Program is presented in a prospectus, "Your GM Savings—Stock Purchase Program for Salaried Employees in the United States," available to all salaried employees.

## THE RETIREMENT PROGRAM



The Retirement Program has two parts.

Part 1 of the Program provides income for life for salaried employees with 10 or more years of service who retire under the Program or who become totally and permanently disabled. GM pays the entire cost of these benefits. To receive full benefits under Part 1, you must contribute under Part 2 while eligible.

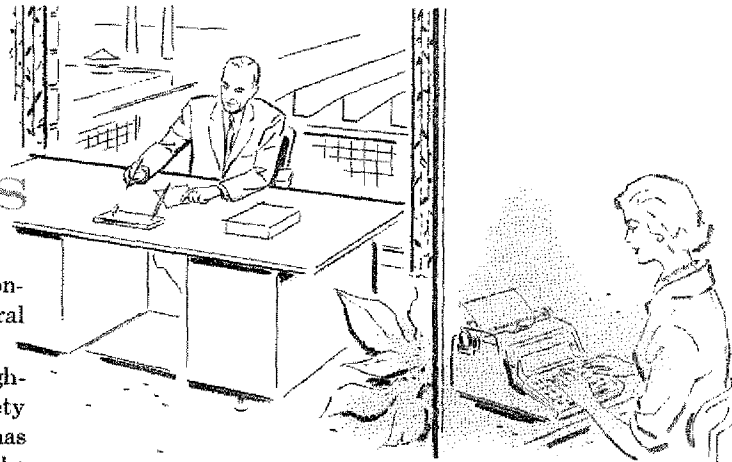
Part 2 of the Program provides additional retirement income for participating salaried employees. GM and employees share the cost of the Part 2 benefits. GM's contribution toward this cost will, over the years, more than match your contributions.

*For further information, see the booklet "Your GM Retirement Program."*

## WORKING CONDITIONS

Safe, pleasant and efficient working conditions are the constant aim of General Motors.

Safety is a vital consideration throughout GM. An active and vigilant safety program carried on for many years has made our plants and offices among the safest in industry. This is attested to by the frequency with which General Motors has received the National Safety Council's Award of Honor for "outstanding safety performance." National Safety Council records show that you are safer at work with GM than you are in your own home.



General Motors believes in providing its employees with the finest equipment we can buy or create. Many millions of dollars are spent each year in a continuing program of modernization aimed at making the work more pleasant and less burdensome—and the product better.

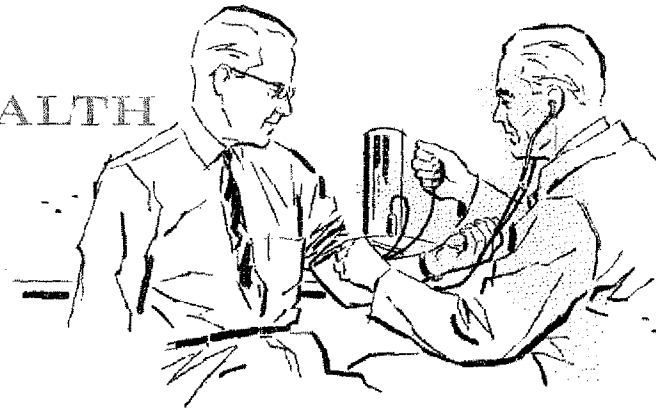


## YOUR HEALTH

All plant and most general office locations in GM have modern medical departments staffed by qualified physicians and trained nurses.

These departments provide medical attention to employees at work. They also give physical examinations prior to employment and are available for examination thereafter.

The purpose of these services—available to GM employees at no cost—is not to replace those of your family doctor



but to provide additional help in maintaining your health.

The Industrial Medical Association has awarded GM the Health Achievement in Industry Award in recognition of GM's pioneering in the field of industrial medicine.

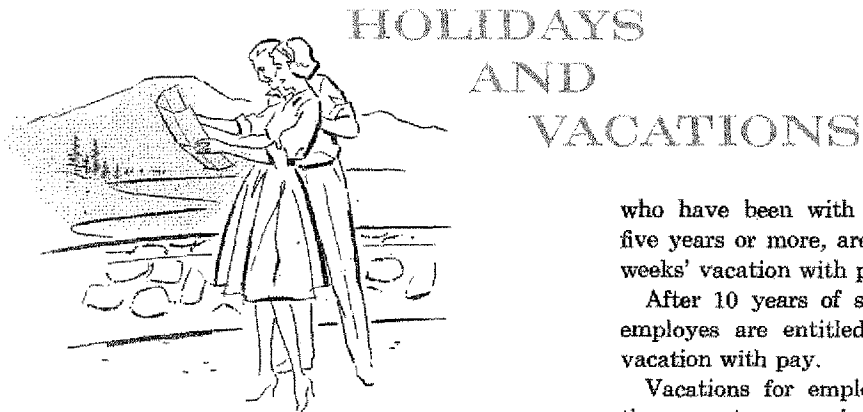
## PREGNANCY LEAVE

A great many salaried positions in General Motors are held by women. GM policy protects the "length of service" of its women employees when they leave work for a time because of pregnancy.

A special leave of absence for pregnancy, without pay, will be granted to an employee who requests it, for a period of up to 12 months. If, before the expiration of the leave of absence, she wishes to return and is able to return to work, she will be offered employment to fill any vacancy for which she is qualified. If there is no suitable vacancy, the employee will be placed on layoff status and will be considered for future employ-

ment in line with her qualifications and length of service.

If the employee is not physically able to return by the time her leave expires, she may ask for an extension of the leave until such time as she is able to return. The total time of the original leave and extensions may not exceed 12 months or the length of service the employee had at the beginning of the leave, whichever is greater. Of course, in order to protect her length of service, the employee must return, if she is physically able to do so, within the period of her leave and must accept suitable employment when offered.



All salaried employees who have been with GM a year or more on the most recent January 1 are eligible for at least two weeks' vacation with pay.

Employees whose responsibilities are executive, administrative or professional in nature (those who qualify as "exempt" under Federal wage and hour laws), and

who have been with the company for five years or more, are eligible for three weeks' vacation with pay.

After 10 years of service all salaried employees are entitled to three weeks' vacation with pay.

Vacations for employees hired during the current year or in the previous year are determined as outlined beginning on page 40.

General Motors employees who are not on a temporary basis are paid for six full holidays and two half-holidays each year. For further information on holidays recognized in General Motors, see page 41.

YOUR JOB

SECURITY

The job security of each of us is related to the success of the business and our individual contribution toward it. A company that does not compete successfully in business and does not make a profit will not be able to provide job security to its employees or investment security to its shareholders.

General Motors' past record of employment security is good, and GM hopes to keep it that way. One of GM's most important investments is in its people. If conditions should make necessary a reduction in force, General Motors policy

provides that salaried employees whose performance is satisfactory, but who cannot be retained, will be classified as layoffs.

A salaried employee with length of service of six months or more who must be laid off will be placed on inactive status for a period equal to his length of service or 12 months, whichever is less. If he returns to the active roll within that period, the period of inactive status will be included in his length of service. If not returned to the active roll within that period, he will be separated as a lay-

off. In cases where an employee is separated as a layoff, his length of service will be re-established if he is returned to the active roll within a period which does not exceed his length of service as of his last day on the active payroll, with a five-year maximum period. In such cases, when length of service is re-established, the period of inactive status will be included in length of service.

Laid-off salaried employees who are placed on inactive status are paid monthly layoff payments under the Separation Allowance Plan, to the extent eligible under that Plan. The Plan is described starting on page 53 of this booklet.

Laid-off employees are considered available for re-employment not only with the unit where employed, but are also listed as available for employment with other

GM units in the community and, where warranted, or if the laid-off employee wishes, for employment with GM units in other communities.

#### **Payment of Moving Expenses**

When General Motors transfers a salaried employee to a new location requiring the moving of his permanent residence, GM provides for the payment of reasonable and necessary moving expenses.

Where the employee's transfer results from the transfer or discontinuance of a GM operation, General Motors also provides for the payment of reasonable and necessary moving expenses if the plant to which the employee is being transferred is at least 50 miles from the plant from which he is being transferred.

## FOR YOUR INFORMATION

General Motors makes it possible for you to be well informed about what is going on in the organization as a whole and about developments that affect you and your job.

Much of this information comes to you

through your supervisor. Additional information is supplied to you in many forms—through Information Rack booklets, bulletin boards, folders and other publications.

Be sure to read the following booklets, available from your supervisor:

Retirement Program	"Your GM Retirement Program—The General Motors Retirement Program for Salaried Employees"
Insurance	"The Improved General Motors Insurance Program" "Your Comprehensive Medical Expense Insurance Program" "Group Travel Accident Insurance"
Savings—Stock Purchase Program	"Your GM Savings—Stock Purchase Program for Salaried Employees in the United States"
Suggestion Plan	"Everyone Can Suggest"
Tuition Refund Plan	"Educational Assistance for GM Employees"
General Motors Institute	"Engineering Education on the Cooperative Plan"
General Motors Yesterday	"Story of General Motors"
General Motors Today	"A Look at GM" "General Motors Annual Report"
Preparation for Retirement	"Your Benefits after Retirement"; various Information Rack booklets

## YOUR PART

Along with the advantages and opportunities offered in General Motors go certain responsibilities—obligations that you will want to meet.

Your primary and most important responsibility, of course, is to do a good job on the work assigned to you by your supervisor. He is responsible for what you do, so it is a good idea to respect his experience, listen to his instructions care-

fully, and carry them out promptly and cheerfully. Completing each assignment to his satisfaction is the surest way to make progress.

You may find, occasionally, that it is not easy to satisfy your supervisor. This can work to your advantage, for the best supervisor is not content and will not let you be content with mediocrity. He is able to call forth your best efforts and show you that you can do more and

## THE OPEN DOOR

For people to work together effectively, there must be a friendly, congenial atmosphere based on mutual trust and respect. Yet, in all human relationships there are bound to be occasional misunderstandings and disagreements. It is impor-

tant that these be resolved without delay.

In most cases this is a simple matter, handled easily by the supervisor. But supervisors are only human. They cannot always be expected to provide answers satisfactory to all concerned. GM's policy provides recourse to higher authority where that becomes necessary.

better work than you thought you could.

In addition to following instructions, doing a good job requires the employee to think for himself—to ask questions and make constructive suggestions. You will find that your supervisor is interested in your ideas and will appreciate your efforts to do an outstanding job.

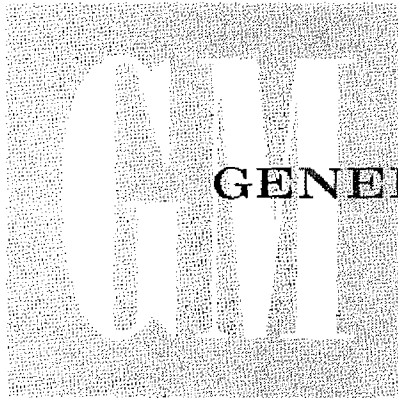
Doing a good job also implies certain other obligations on your part, such as maintaining good health and mental alert-

ness, using good judgment, being prompt and regular in attendance, cooperating with your fellow workers, and being loyal to GM—its people and its products. You will want to keep well informed on your company so that you will be able to talk intelligently about GM to your friends and neighbors. To them, you represent General Motors, and what you say can do much to shape their final opinion of GM. This can also help to shape your own future.

In general terms, the policy is simply an attitude of fair and friendly consideration for each individual's viewpoint. More specifically, it invites you to express yourself freely to your supervisor about your job or about General Motors policies. If you have a problem, a misunderstanding or a request, talk to your supervisor

about it. If he is not able to give you a satisfactory answer, he will arrange for your problem to be taken to the proper authority—your general supervisor, the Personnel Department, your General Manager or his designated representative, or, in unusual cases, the General Motors Central Office in Detroit.





## GENERAL MOTORS PRODUCTS

Your future with General Motors, and the future of every other GM employe, depends on the sale of General Motors products.

The more you know about these products, the more you use them, talk about them and persuade your friends to use them, the better your future will be. Following is a list of the principal things we make in GM in the United States.

### AUTOMOTIVE

Passenger cars produced by Buick, Cadillac, Chevrolet, Oldsmobile and Pontiac. Chevrolet trucks and GMC trucks and motor coaches. Parts, accessories and equipment for automobiles and trucks.

## **DIESEL**

Electro-Motive Diesel locomotives for passenger, freight, switching, and industrial uses; Diesel engines for marine and industrial uses; mobile electric generating equipment.

## **HOUSEHOLD APPLIANCES, ETC.**

Frigidaire refrigerators, ranges, water heaters, food freezers, dishwashers, room air conditioners, food waste disposers, dry cleaners, clothes washers and dryers; Delco electric motors; Delco automatic heating and air conditioning equipment for homes and businesses.

## **EARTH-MOVING**

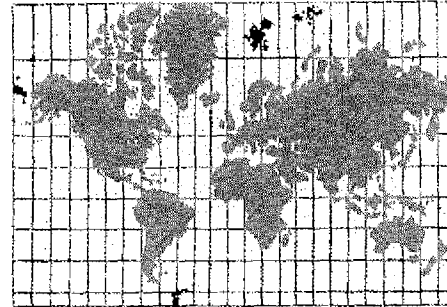
Euclid heavy duty off-the-highway equipment for moving earth, rock, coal, ore; road building equipment.

## **DEFENSE**

General Motors builds products that are important in national defense, including such items as electronic equipment for guided missiles and other uses, tracked military vehicles, rocket motor cases, Allison turbine engines and heavy-duty transmissions.

## THE GENERAL MOTORS FAMILY

As a GM employee, you are part of a world-wide organization with headquarters in Detroit and New York City. Following is a list of General Motors divisions and subsidiaries here and abroad, with their principal locations:



### GM DIVISIONS IN THE UNITED STATES

#### AC SPARK PLUG DIVISION

Flint, Michigan; Milwaukee, Wisconsin; Oak Creek, Wisconsin

#### ALLISON DIVISION

Indianapolis, Indiana

#### BUICK MOTOR DIVISION

Flint, Michigan

#### BUICK-OLDSMOBILE-PONTIAC ASSEMBLY DIVISION

Detroit, Michigan; Arlington, Texas; Atlanta, Georgia; Fremont, California; Kansas City, Kansas; Linden, New Jersey; South Gate, California; and Wilmington, Delaware

#### CADILLAC MOTOR CAR DIVISION

Detroit, Michigan; Cleveland, Ohio

#### CENTRAL FOUNDRY DIVISION

Saginaw, Michigan; Danville, Illinois; Defiance, Ohio; Bedford, Indiana; Malvern, Arkansas

#### CHEVROLET MOTOR DIVISION

Detroit, Michigan; Atlanta, Georgia; Baltimore, Maryland; Bay City, Michigan; Bloomfield, New Jersey; Buffalo, New York; Cleveland, Ohio; Flint, Michigan; Framingham, Massachusetts; Indianapolis, Indiana; Janesville, Wisconsin; Kansas City, Missouri; Livonia, Michigan; Los Angeles, California; Massena, New York; Muncie, Indiana; Norwood, Ohio; Saginaw, Michigan; St. Louis, Missouri; Tarrytown, New York; Toledo, Ohio; Tonawanda, New York; Warren, Michigan; Waukegan, Illinois; Ypsilanti, Michigan

#### DELCO APPLIANCE DIVISION

Rochester, New York

**DELCO MORaine DIVISION**

Dayton, Ohio

**DELCO PRODUCTS DIVISION**

Dayton, Ohio

**DELCO RADIO DIVISION**

Kokomo, Indiana

**DELCO-REMY DIVISION**

Anderson, Indiana; Anaheim, California; Muncie, Indiana; New Brunswick, New Jersey; Olathe, Kansas

**DETROIT DIESEL ENGINE DIVISION**

Detroit, Michigan

**DETROIT TRANSMISSION DIVISION**

Ypsilanti, Michigan

**DIESEL EQUIPMENT DIVISION**

Grand Rapids, Michigan

**ELECTRO-MOTIVE DIVISION**

La Grange, Illinois; Chicago, Illinois

**EUCLID DIVISION**

Euclid, Ohio; Hudson, Ohio

**FISHER BODY DIVISION**

Detroit, Michigan; Atlanta, Georgia; Baltimore, Maryland; Chicago, Illinois; Cleveland, Ohio; Euclid, Ohio; Flint, Michigan; Framingham, Massachusetts; Grand Blanc, Michigan; Grand Rapids, Michigan; Hamilton, Ohio; Janesville, Wisconsin; Kansas City, Missouri; Lansing, Michigan; Livonia, Michigan; Los Angeles, California; Mansfield, Ohio; Marion, Indiana; Norwood, Ohio; Pittsburgh, Pennsylvania; Pontiac, Michigan;

St. Louis, Missouri; Tarrytown, New York; Warren, Michigan; Ypsilanti, Michigan

**FRIGIDAIRE DIVISION**

Dayton, Ohio

**GMC TRUCK & COACH DIVISION**

Pontiac, Michigan

**GUIDE LAMP DIVISION**

Anderson, Indiana

**HARRISON RADIATOR DIVISION**

Lockport, New York; Buffalo, New York

**HYATT BEARINGS DIVISION**

Harrison, New Jersey; Clark Township, New Jersey

**INLAND MANUFACTURING DIVISION**

Dayton, Ohio

**NEW DEPARTURE DIVISION**

Beisfel, Connecticut; Meriden, Connecticut; Sandusky, Ohio

**OLDSMOBILE DIVISION**

Lansing, Michigan

**PACKARD ELECTRIC DIVISION**

Warren, Ohio

**PONTIAC MOTOR DIVISION**

Pontiac, Michigan

**ROCHESTER PRODUCTS DIVISION**

Rochester, New York

**SAGINAW STEERING GEAR DIVISION**

Saginaw, Michigan

**TERNSTEDT DIVISION**

Detroit, Michigan; Columbus, Ohio; Flint, Michigan;  
Trenton, New Jersey; Elyria, Ohio; Syracuse, New York

**UNITED MOTORS SERVICE DIVISION**

Detroit, Michigan

**FINANCE AND INSURANCE UNITS**

**GENERAL MOTORS ACCEPTANCE  
CORPORATION**

New York, New York

**MOTORS INSURANCE CORPORATION**

New York, New York

**MOTORS HOLDING DIVISION**

Detroit, Michigan

**YELLOW MOTORS CREDIT  
CORPORATION**

Detroit, Michigan

**CANADIAN UNITS**

**FRIGIDAIRE PRODUCTS OF CANADA  
LIMITED**

Scarborough, Ontario

**GENERAL MOTORS OF CANADA, LIMITED**

Oshawa, Ontario; Windsor, Ontario

**GENERAL MOTORS DIESEL LIMITED**

London, Ontario

**THE McKINNON INDUSTRIES, LIMITED**

St. Catharines, Ontario

**OTHER UNITS**

**ARGONAUT REALTY DIVISION**

**GENERAL MOTORS INSTITUTE**

**GENERAL MOTORS TECHNICAL CENTER**

**GENERAL MOTORS PROVING GROUND**

**OVERSEAS UNITS**

**EUCLID (GREAT BRITAIN) LTD.**, Motherwell and Peterhead, Scotland

**GENERAL MOTORS OVERSEAS OPERATIONS DIVISION**, New York, New York

*Individual Operations*

**ADAM OPEL A.G.**

Russelsheim am Main and Bochum, West Germany

**FOREIGN DISTRIBUTORS DIVISION**

New York, New York

**GENERAL MOTORS ARGENTINA S.A.**  
San Martin, Buenos Aires, and Barracas, Buenos Aires,  
Argentina

**GENERAL MOTORS AUSTRIA Ges.m.b.H.**  
Vienna, Austria

**GENERAL MOTORS do BRASIL S.A.**  
Sao Paulo and Sao Jose, Brazil

**GENERAL MOTORS CONTINENTAL**  
Antwerp, Belgium; Rotterdam, Netherlands

**GENERAL MOTORS (FRANCE)**  
Gennevilliers, Paris, France

**GENERAL MOTORS-HOLDEN'S PTY.  
LIMITED**  
Melbourne, Adelaide, Perth, Sydney and Brisbane

**GENERAL MOTORS INTERNATIONAL A/S**  
Copenhagen, Denmark

**GENERAL MOTORS ITALIA S.p.A.**  
Milan, Italy

**GENERAL MOTORS LIMITED**  
London, Dunstable, Hendon, Liverpool and  
Southampton, England

**GENERAL MOTORS de MEXICO, S.A. de C.V.**  
Mexico City, Mexico

**GENERAL MOTORS NEW ZEALAND  
LIMITED**  
Wellington, New Zealand

**GENERAL MOTORS NORDISKA A.B.**  
Stockholm and Trelleborg, Sweden

**GENERAL MOTORS (NORWAY) A/S**  
Oslo, Norway

**GENERAL MOTORS del PERU S.A.**  
Lima, Peru

**GENERAL MOTORS de PORTUGAL,  
LIMITADA**  
Lisbon, Portugal

**GENERAL MOTORS SOUTH AFRICAN  
(PTY.) LIMITED**  
Port Elizabeth, Republic of South Africa

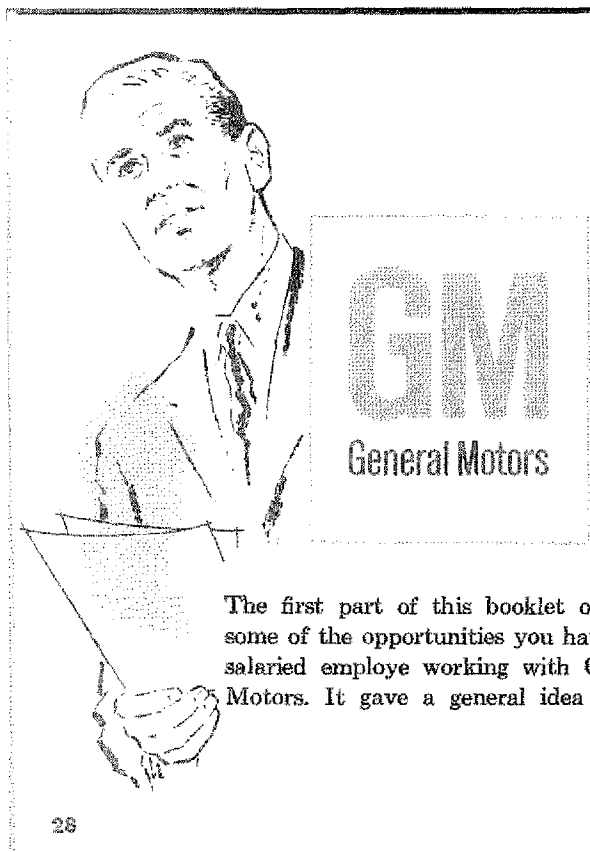
**GENERAL MOTORS SUISSE S.A.**  
Bienne, Switzerland

**GENERAL MOTORS URUGUAYA S.A.**  
Montevideo, Uruguay

**GENERAL MOTORS de VENEZUELA, C.A.**  
Caracas, Venezuela

**SUOMEN GENERAL MOTORS Oy.**  
Helsinki, Finland

**VAUXHALL MOTORS LIMITED**  
Luton, Dunstable and Ellesmere Port, England



The first part of this booklet outlined some of the opportunities you have as a salaried employe working with General Motors. It gave a general idea of the

benefits you may receive under the various benefit plans.

In the second part, you will find more complete statements of the policies and procedures which govern relationships with salaried personnel.

You will find this booklet of increasing interest and importance to you as you continue to work with General Motors. If questions arise which are not answered in the booklet, ask your supervisor for further explanation.

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## Classifications of Salaried Personnel

### DETAILS OF POLICY AND PROCEDURE

**Probationary Employees:** A salaried employee hired to fill a position or vacancy other than of a temporary nature shall be considered a probationary employee for the first six months of employment. Employment during the probationary period shall be on a day-to-day basis, even though salary may be expressed and computed on a calendar month rate.

**Regular Employees:** During any continuous 12-month period, upon the accumulation of six months of salaried employment, such an employee shall be considered thereupon as a regular employee and his employment will be on a month-to-month basis at a calendar month rate, whether he is paid monthly, semimonthly, or on some other basis of salary payments. An employee's length of service date shall be established as of six months prior to the date he becomes a regular employee. The provisions of this paragraph apply to employees hired on or after February 22, 1962 and to employees on the roll on that date who had not at that time established length of service.



**Temporary Employees:** A salaried employee hired for work of a purely temporary nature, such as a vacation substitute, one called in at irregular intervals, or hired for short-term emergency work, shall be employed on a day-to-day basis without respect to the method of payment used. Such an employee shall be paid only for those days or fractional days actually worked. He shall be entitled to overtime or premium pay for excess hours worked, in accordance with established procedure and any applicable laws, regulations or orders.

**"Exempt" or "Non-Exempt":** Those salaried employees whose duties and responsibilities are of an executive, administrative, or professional character and who meet the requirements established for exemption under the provisions of the Fair Labor Standards Act, as amended, and the regulations issued in connection therewith, may be classified as "exempt" employees. All other employees are classified as "non-exempt."

### **Equal Employment Opportunity**

Operating as it does on a nationwide basis, General Motors Corporation offers employment opportunities

to many people in many different locations throughout the United States.

The policy of the Corporation is to extend these opportunities to qualified applicants and employees on a nondiscriminatory basis and without regard to an individual's age, race, color, sex, creed or national origin.

Hiring and employment practices and procedures implementing this policy are the responsibility of the individual Divisions and other employing Units of the Corporation. Likewise, the responsibility for decisions as to who is to be hired, or who is best qualified for particular employment, rests with the Divisions and other employing Units. However, these practices, procedures, and decisions are to be, at all times, in conformity with the Corporation policy of nondiscrimination.

### **Length of Service**

**Your Service Record:** A complete record of your service with General Motors is kept by your Division

or Unit. This Service Record contains basic information about your employment with General Motors, including the date you were originally employed, all changes in compensation, position, location, and leaves of absence granted.

**"Length of Service" Important to You:** Your length of service is important to you because it is a factor in determining the extent of your participation in the benefits which you may be eligible to receive as a General Motors salaried employee.

**What Is Length of Service:** The length of service for a salaried employee is that period of employment with the Corporation or any of its wholly owned subsidiaries which is considered unbroken and is recognized in computing the amount and extent of participation in employee benefit plans, including vacations, separation allowances, leaves of absence, etc. Length of service is not recognized until the employee attains the status of a regular employee, at which time his length of service shall include the period of his probationary service. Service for purposes of the General Motors Retirement Program for Salaried Employees shall be determined in accordance with provisions of that Program.

**What Is Included in Length of Service:** The length of service of a salaried employee includes the following:

- All unbroken salaried service with General Motors or its wholly owned subsidiaries.
- The recognized hourly-rate service which the employee held in the Division where he became a salaried employee, except that such recognized hourly-rate service for this purpose shall be deemed to be broken by an hourly-rate "layoff" of over 12 months duration if such layoff commenced prior to May, 1961, or by a layoff which exceeded five years or the period of hourly-rate service the employee had acquired at the time of layoff, whichever is the lesser, in the case of a layoff which commenced during or after May, 1961. If an hourly-rate layoff commencing in May, 1961 or later exceeded 12 months but part of the employee's hourly-rate service could be included in length of service in accordance with the foregoing provision, only 12 months of the time on such layoff shall be included in the employee's salaried length of service.

- All recognized hourly-rate service in those cases where the hourly-rate employee at the instigation of the Corporation is made available to another Unit of the Corporation with the specific approval of the heads of both Units, except that such recognized hourly-rate service for this purpose shall be deemed to be broken by a "layoff" of over 12 months duration if such layoff commenced prior to May, 1961, or by a layoff which exceeded five years or the period of hourly-rate service the employee had acquired at the time of layoff, whichever is the lesser, in the case of a layoff which commenced during or after May, 1961. If a layoff commencing in May, 1961 or later exceeded 12 months but part of the employee's hourly-rate service could be included in length of service in accordance with the foregoing provision, only 12 months of the time on such layoff shall be included in the employee's salaried length of service.

- All continuous full-time and certain part-time temporary service which immediately precedes the transfer of such an employee to a permanent position.

- Unbroken service with operating companies

(excluding commercial organizations) acquired by the Corporation or its wholly owned subsidiaries.

- Time spent by a regular student in General Motors Institute, or in any other accepted co-operative educational institution as an employee of the Corporation or its wholly owned subsidiaries.

- Time spent on approved leaves of absence as follows:

- (a) Noncompensable disability leave—first continuous 12 months of such leave. In the instance, however, of an employee who returns to work immediately following a disability leave and is again incapacitated by a recurrence of the same disability, his length of service upon again returning to work shall include all absent time due to the same disability up to but not exceeding 12 months.
- (b) Compensable disability leave—entire period of such leave.
- (c) Military leave—entire period of such leave.
- (d) War service leave—entire period of such leave.

- (e) Special leave (other than for educational purposes or for pregnancy)—only first continuous three months of such leave, unless approved by the proper Corporation Central Office executive.

Special leave of absence for educational purposes—the first 12 months of such leave granted to a regular salaried employee. Time in excess of 12 months may also be included if approved by the General Manager of a Division or Central Office Staff Head.

Special leave of absence for pregnancy—on and after November 1, 1962, the period of time on such leave, up to a maximum of 12 months or a period equal to the employee's length of service at the time the leave becomes effective, whichever is less.

*See section on Leaves of Absence beginning on page 34.*

- The period of time during which a regular employee, separated as a final release or mutually satisfactory release, is away from General Motors as well as length of service established prior to

such separation, if the employee is re-employed in General Motors during the first 12 months following separation. This same provision applies to a regular employee who was separated as a layoff prior to May, 1961.

- The period of time, up to a maximum of 12 months for any one layoff, during which a regular employee is laid off, provided the employee's length of service prior to the layoff remains unbroken or is re-established.

***What Breaks Length of Service:*** Length of service is broken by the following:

- A quit or a discharge.
- A layoff which commenced during or after May, 1961 which exceeds five years, or the length of service the employee had acquired at the time of layoff, whichever is the lesser.
- Any layoff which commenced prior to May, 1961 for a continuous period which exceeds 12 months.
- A mutually satisfactory release or final release, if the employee is not rehired within the succeeding 12 months.

\* Under most circumstances a special separation may break an employee's length of service. However, if the employee is rehired within 12 months following the separation, his length of service will be determined by the conditions and circumstances of the individual case.

**Review by General Motors Central Office:**  
Any employee who questions his length of service record with General Motors, as established by the employing Unit, may appeal such determination through organization channels to the GM Vice President in Charge of the Personnel Staff for review of the facts and a final decision, provided he has first exhausted all steps for an adjustment within his employing Unit. Appeals should be submitted in writing.

### Leaves of Absence

Any employee, other than one on a temporary basis, absent for more than seven consecutive calendar days, and not on vacation, shall either have his services terminated or be granted a leave of absence.

The employee should be advised fully as to the conditions of the leave of absence at the time it is granted.

### Classifications of Leaves of Absence

Four types of leaves of absence may be granted:

Disability leave of absence, Military leave of absence, War service leave of absence and Special leave of absence.

The length of service of an employee is protected by an approved leave of absence, although time spent on leaves of absence may or may not be included in the length of service, depending upon the type of leave.

The granting of a leave of absence to an employee shall not be considered as a guarantee of re-employment following the leave of absence. Every effort should be made to reinstate an employee eligible for re-employment in his former position or one comparable to it, provided he is qualified to perform the duties of such position.

### Disability Leave of Absence

The General Manager of a Division or Central

Office Staff Head, or his designated representative, shall grant a disability leave of absence to any salaried employe not on a temporary basis, provided such employe furnishes proof satisfactory to Management that he is unable to discharge his normal responsibilities as a result of sickness or accident. Such a leave of absence may be extended upon submission of satisfactory proof of continued disability.

In the case of sickness or accident noncompensable under the Workmen's Compensation Law, the employe shall be granted a disability leave of absence after he has been absent in excess of seven consecutive calendar days, which leave shall be considered as being in effect from the first regularly scheduled day of work on which he was absent.

In the case of compensable occupational accident or compensable occupational disease, the employe shall be granted a disability leave of absence starting on the first regularly scheduled day of work on which he was absent.

In the usual case, payments to an employe in the salary group eligible for Group Sickness and Accident Insurance are made while the employe is on disability leave of absence for noncompensable sickness or

Types of Disability Payments for Periods Shown Below			
LENGTH OF SERVICE	Full base salary	S. & A. Insurance and salary combined equal to full base salary*	S. & A. Insurance benefits payable up to a maximum of
LESS THAN 1 YEAR	1st week	—	6 months†
1 YEAR TO 5 YEARS	1st week	next 7 weeks	8 months
5 OR MORE YEARS	1st week	next 12 weeks	12 months

\*Salary payments to employes who elected not to take Sickness and Accident Insurance will be calculated on the basis of the benefits they would be entitled to receive had they elected to take such coverage.

†After S. & A. Insurance becomes effective.

accident in accordance with the above schedule.

Payments during disability to employes in the salary group not eligible for Group Sickness and Accident

Insurance are made on a basis consistent with the provisions for employees eligible for such insurance.

**Group Insurance Protection for Employees on Disability Leave of Absence:** For information relative to benefits payable or continuation of insurance during absence due to total disability, consult your supervisor or refer to the booklet "The Improved General Motors Insurance Program."

### **Special Leaves of Absence**

A special leave of absence may be granted for definite periods for reasons other than sickness, accident, vacation, or extended military service, when it is desirable from the employee's standpoint and desirable or acceptable from the standpoint of the Corporation for the employee to be absent from work for more than seven consecutive calendar days. Special leave of absence must be requested in advance by the employee and, if granted, will become effective on the first regularly scheduled day of work on which he is absent. The following paragraphs will deal with the various types of special leaves of absence, the authority for granting such and the extent to which salary payments, if any, shall be made.

**Pregnancy:** A special leave of absence without pay, for a period up to 12 months, shall be granted by a General Manager of a Division or Central Office Staff Head, or his designated representative, when requested by a regular salaried employee who submits satisfactory evidence of pregnancy.

A salaried employee who has been on a special leave of absence for pregnancy who applies for return to work, and presents medical evidence satisfactory to Management that she is able to return shall be offered employment to fill any vacancy which exists in the plant or office which is the same as, or comparable to, the position she held at the time she was granted the special leave of absence provided she is qualified to perform the work available.

If no such vacancy exists, her special leave of absence shall be terminated and she shall be placed on layoff status and be eligible for recall preference. If the period during which she has been on a leave of absence is less than 12 months, she shall be placed on inactive status until the time on leave and on inactive status combined equals 12 months, at which point she shall be separated as a layoff. If the period during which she has been on a leave of absence

equals or exceeds 12 months, she shall be separated as a layoff. Such an employee placed on inactive status or separated as a layoff shall not be eligible for layoff or separation allowance payments.

In the case of an employee placed on inactive status or separated from a special leave of absence for pregnancy, the maximum period of time on leave and while eligible for recall preference shall not exceed the lesser of five years, or the length of service she had acquired at the time she went on the leave of absence.

If medical evidence satisfactory to Management establishes that she is unable to return to work at the expiration of the leave, she shall be continued on a special leave of absence. However, the total length of time of the original leave of absence and extensions shall not exceed the greater of 12 months, or the length of service she had acquired at the time she went on a leave of absence, up to a maximum of five years. If the employee is not able to return to work at the end of the extended periods of leave, she shall be classified as a special separation and shall not be eligible for a separation allowance.

If the employee with unbroken length of service or eligible for re-establishment of length of service returns to the active roll within 12 months from the date she went on leave of absence, her length of service shall include the time on such leave and inactive status, but not to exceed her length of service at the time such leave became effective. If the employee returns to the active roll within a period subsequent to the date she went on leave of absence which exceeds 12 months but does not exceed the length of service she had acquired prior to such leave up to a maximum of five years, her previous length of service shall be re-established. If length of service is re-established in such a case, the time away, but not to exceed 12 months, shall be included in her length of service.

If an employee does not make application to return to work by the expiration of the leave of absence or extensions, she shall be separated as a quit, and shall not be eligible for a separation allowance.

Such leave of absence for pregnancy shall be considered as the equivalent of a disability leave for group insurance and for hospital and surgical-medical coverage purposes only.



**Jury Duty:** When an employee is called for jury duty, in most cases it does not necessitate his full-time absence from work. In such cases, unless the employee is required to be absent (full-time) in excess of seven consecutive calendar days, the absence will be treated as excused and the employee will be compensated in accordance with procedure.

A special leave of absence for jury duty will be granted by the General Manager of a Division, a Central Office Staff Head or his designated representative, to an employee not on a temporary basis only when the employee is required to be absent full-time for periods in excess of seven consecutive calendar days, in which case the leave will be in effect from the first scheduled working day of such full-time absence. An employee granted a special leave of absence for jury duty, in accordance with the foregoing, will be paid base salary (plus cost-of-living allowance and night shift premium, if applicable) for the first seven consecutive calendar days of absence and base salary (plus cost-of-living allowance if applicable) thereafter. However, salary payments for such leave of absence of over one month's duration require special approval.

Fees received by the employee for jury duty will in no way affect his compensation from the Corporation.

**Educational Purposes:** A special leave of absence for educational purposes may be granted without pay for a period not to exceed 12 months by the General Manager of a Division or Central Office Staff Head to a salaried employee who has established length of service. Such leaves may be extended upon written request.

**Personal Reasons:** Other special leaves of absence for personal reasons may be granted by the General Manager of a Division or a Central Office Staff Head to other than temporary employees.

Such leaves may be granted with or without pay, dependent upon the circumstances of the case. However, the following maximums shall apply in the usual case:

Length of Service	With Base Pay Plus	Special Leave Without Pay
	Cost-of-Living Allowance	
Less than one year	One week	Six months
One year or more	One month	Six months

Special leaves of absence for longer periods shall require special approval.

### **Military Leave of Absence**

General Motors policy provides for the granting of military leaves of absence to eligible employees. Information regarding eligibility for such leaves of absence may be obtained from your supervisor or the Personnel Department.

An approved military leave of absence shall not constitute a break in the employee's length of service. The entire period of a military leave of absence shall be included in computing the length of service of an employee who has returned to work following the completion of such a leave, provided the employee, following his release from the Armed Forces, makes application for re-employment within the period specified in the leave or within the period prescribed by any applicable laws or regulations governing the re-employment of veterans, whichever is greater.

**Reserve Training:** General Motors cooperates with the armed services by granting leaves of absence to employees taking part in annual training or cruises or special active duty.

An employee who is called for service with the Reserve Forces should consult his supervisor, in order that a leave of absence may be arranged, if necessary. At that time, the employee will be advised of the rights and benefits which apply to him under General Motors policy.

### **Payment of Moving Expenses**

When, as a result of the discontinuance or transfer of operations, a non-exempt salaried employee is transferred to a new location, he shall be reimbursed for reasonable and necessary moving expenses incurred in moving his permanent residence, if the plant to which the employee is being transferred is at least 50 miles from the plant from which he is being transferred. In every such case, Management shall determine what expenses are considered reasonable and necessary.

Transfers of this type affecting exempt employees may be handled in accordance with the past practice

of providing for the payment of reasonable and necessary moving expenses for salaried employees transferred for the convenience of the Corporation.

### Your Vacation

It is the Corporation's policy to insist that each salaried employee take the full amount of vacation to which he is entitled each year. This is considered essential not only in the interest of fair and equitable treatment for an individual employee but also for the efficiency of the Corporation in enabling an employee through the benefits of such a vacation to contribute more effective effort. In order to insure that an employee takes the vacation to which he is entitled, no salary payment shall be made in lieu of vacation. Vacations not taken during the current calendar year may not be carried over to the following year.

**Length of Your Vacation:** Employees with one year or more of service prior to the most recent January 1 are eligible for a two weeks' vacation with pay. Vacations during the current year for employees hired during the year or in the previous year are determined as follows:

EMPLOYMENT DATE	VACATION WITH PAY
On or before Oct. 1 (previous year)	2 weeks
Oct. 2 to Dec. 31 (previous year)	1½ weeks
Jan. 1 to March 31 (current year)	1 week
After March 31 (current year)	None until following year

Exempt\* employees with five or more years' length of service, and non-exempt employees with 10 or more years' length of service, by October 1 of the current year, are entitled to a three-weeks' vacation with pay in the current calendar year.

**Transfers from Hourly Roll:** A salaried employee who has been transferred from the hourly roll before July 1 of the current year shall be granted and shall take, during the current calendar year, the vacation to which he is entitled by his total length of service.

A salaried employee who has been transferred from the hourly roll on or after July 1 of the current year, and who had a vacation pay eligibility date of June 30 while on the hourly roll, shall receive no further vacation consideration for the current calendar year.

\*See page 30.

Such an employee who had a vacation pay eligibility date of December 31 shall be granted the vacation time off to which he is entitled as a salaried employee or, if it is impractical to grant him the vacation time, shall receive pay in lieu of vacation for the current calendar year based upon the number of hours pay he would have received and at the hourly rate of pay which would have been in effect had he remained on the hourly roll until December 31. Such allowance shall be paid on or after December 31.

**Prior to Retirement:** An employee who is being separated under any of the retirement classifications shall be granted the vacation time off to which he is entitled before his separation becomes effective.

### Holidays

Holidays recognized within General Motors are Fourth of July, Labor Day, Thanksgiving, Christmas, New Year's Day and either Memorial Day or one other such holiday of greater local importance which may be designated by Management. Recognized half-holidays are December 24 and December 31.

**Saturday Holidays:** When one of the six recognized holidays occurs on a Saturday, a salaried employee whose normal base workweek is Monday through Friday shall be granted a day off during his normal workweek for each such Saturday holiday, provided that an employee who is required to work on such holiday, and receives premium pay for doing so, shall not be granted time off equivalent to that for which premium pay was paid.

When the two half-holidays occur on a Saturday or Sunday, a salaried employee whose normal base workweek is Monday through Friday shall be granted a half-day off during his normal workweek for each such Saturday or Sunday half-holiday, provided that an employee who is required to work on a half-holiday, and receives premium pay for doing so, shall not be granted time off equivalent to that for which premium pay was paid.

If any of the recognized holidays or half-holidays occurs on a scheduled day off of an employee who is employed in a necessary continuous seven-day operation, the employee shall be granted time off during his normal workweek equivalent to such holiday or half-holiday, as the case may be, provided

that an employee who is required to work on such holiday, and receives premium pay for doing so, shall not be granted time off equivalent to that for which premium pay was paid.

In making this policy effective, the employee's employing Unit will determine whether the time off is to be scheduled: on a group basis, e.g., observed on the previous Friday; or on an individual basis in the form of an extra day of vacation; or on an individual basis at a time mutually satisfactory to Management and the employee.

**Holidays during Vacation:** When one of the six recognized holidays occurs during an employee's vacation period, the employee shall be granted an additional day of vacation.

If one, or both, of the recognized half-holidays on December 24 and December 31 occur during an employee's vacation period, an additional half-day of vacation shall be granted for each such half-holiday occurring within the employee's vacation period.

No additional vacation time shall be granted to an employee by reason of the suspension of operations

on any day or days other than the aforementioned recognized holidays or half-holidays falling within an employee's vacation period.

### *Separations and Layoffs*

Normally both the individual and General Motors have much to gain from long continued association. In certain cases, however, as circumstances change, it may become necessary to terminate the services of an employee. To insure fair handling of all cases involving separation or layoff from the payroll, General Motors has adopted the policies outlined in the following paragraphs.

#### **Separation Classifications**

Each salaried employee who is separated from the payroll shall be classified at the time of separation under one of the classifications outlined below. Complete details of the reasons for separation, together with the separation classification, shall appear on the employee's record. In determining the separation classification, Management shall be the sole judge.

**Quit:** Resignation of an employee from the Corporation prior to age 60. However, an employee who is separated prior to age 60 for the purpose of becoming a General Motors distributor or dealer, or an employee thereof, shall be considered a special separation.

Failure to report to work at the expiration of an approved leave of absence and in accordance with the terms of such leave.

Failure by a laid-off employee on inactive status to accept an offer of re-employment in employee's previous position or one paying a salary not less than 80% of the employee's salary at the time of layoff, in the plant or office from which laid off.

**Discharge:** Separation of an employee prior to age 60 for personal conduct in the course of his duties of such a character that the employee's continued employment would be contrary to the best interests of the Corporation.

Illustrative but not exclusive reasons for separation under this classification are dishonesty, willful violation of instructions, insubordination, drunkenness on the job, and refusal to comply with Governmental requirements related to his employment.

In addition, conduct reflecting adversely on the Corporation, even if it occurs apart from the course of duty, may in some cases be deemed by Management as sufficient grounds for discharge.

**Final Release:** Separation of an employee prior to age 55, or at or after age 55 but prior to age 60 if the employee has less than 10 years of credited service under the provisions of the Retirement Program for Salaried Employees at the time of separation, because of unsatisfactory performance of assigned duties or physical or mental incapacity to perform assigned duties.

**Mutually Satisfactory Release:** Separation of an employee prior to age 60 which cannot be properly classified as a final release or layoff but which is mutually satisfactory to General Motors and the employee.

**Special Separation:** Separation of an employee prior to age 60 which cannot be properly classified under any of the foregoing classifications because of some peculiar or special circumstances in the case.

**Inability to Provide Satisfactory Bond:** An employee who is separated at any time because of inability to

provide satisfactory bond to the Corporation shall be classified as a special separation.

*Sale or Transfer of an Activity:* In the event that the Corporation sells or transfers an activity or a portion of its business to an employer other than a subsidiary of General Motors Corporation, and as an incident thereto, a salaried employee who was engaged in the activity or portion of the business sold or transferred, continues as an employee of the new employer, the payment of separation allowance will depend upon any agreement worked out at the time of the sale or transfer.

If, in the opinion of the Corporation there appears to be a sound basis, and if the employee feels that it would be to his disadvantage to accept the position offered, he may be separated as a mutually satisfactory release, and paid a separation allowance if otherwise eligible.

*Special Divisional Practices:* An employee separated in accordance with an established policy of the Division or Corporation, and under conditions where the employee's business conduct is not a factor, shall be classified as a special separation and paid a separation allowance if otherwise eligible.

*Separations Due to Pregnancy:* An employee separated as the result of pregnancy, or an employee who is not re-employed by the expiration of her special leave of absence for pregnancy, and whose length of service is no longer protected shall be considered a special separation, and shall not be eligible for a separation allowance.

*Refusal to Accept Salaried Position Paying Less Than 80% of Current Base Salary Rate:* A salaried employee who is offered another salaried position paying less than 80% of the employee's current base rate, and refuses to accept such position—or accepts and is separated within the succeeding six months for any reason other than death or layoff—shall be classified as a special separation and shall be paid a separation allowance if otherwise eligible.

An employee separated under such conditions, who is employed within the Corporation at a subsequent date, shall then be treated as a new employee and his length of service shall date from the beginning of his new employment.

*Refusal to Accept an Hourly-Rate Job:*

A. Employees with previous hourly service

1. A salaried employee, eligible for an hourly-rate job by virtue of previous hourly service, who is offered a suitable hourly-rate job and refuses to accept such job shall:

- (1) be separated from the salaried payroll and classified as a special separation, (2) be paid a separation allowance if otherwise eligible, and (3) be recorded as a quit on the hourly employment records.

Such an employee who accepts a suitable hourly-rate job and is separated within six months from the date of acceptance of such hourly job for any reason other than death or layoff shall: (1) be classified as a special separation, and (2) be paid a separation allowance if otherwise eligible.

An employee separated under such conditions, who is employed within the Corporation at a subsequent date, shall then be treated as a new employee and his length of service shall date from the beginning of his new employment.

2. A salaried employee with previous hourly service who accepts a suitable hourly-rate job and is laid off from the hourly roll within six

months from the date of acceptance of such hourly job shall: (1) be classified as a layoff from the salary roll, and (2) be paid layoff payments under the Separation Allowance Plan if otherwise eligible.

3. A salaried employee with previous hourly service who is offered an unsuitable hourly-rate job and refuses to accept such job, or accepts and is separated within six months from the date of acceptance for any reason other than death shall: (1) be classified as a layoff from the salary roll, and (2) be paid layoff payments under the Separation Allowance Plan if otherwise eligible.

B. Employees with no previous hourly service

A salaried employee with no previous hourly service who is offered an hourly-rate job and refuses to accept such job, or accepts and is separated within six months from the date of acceptance for any reason other than death shall, in the absence of any unusual circumstances: (1) be classified as a layoff, and (2) be paid layoff payments under the Separation Allowance Plan if otherwise eligible.



*Separations to Become Distributors or Dealers or Employees Thereof:* An employee who is separated prior to age 60 (whether by resignation or under mutually satisfactory conditions) for the purpose of becoming a distributor of, or a dealer in, some General Motors product, or of entering the employment of such a distributor or dealer, shall be classified as a special separation and shall not be eligible for a separation allowance.

*Separations for Educational Purposes:* An employee who has been employed as a college student in a summer training program, and returns to college to continue his education, shall be classified as a special separation.

*Refusal to Accept Employment on a Commission Basis:* A salaried employee who is offered employment on a commission basis, and refuses to accept such employment—or accepts and is separated within the succeeding six months for any reason other than death—shall be classified as a special separation and shall be paid a separation allowance if otherwise eligible.

An employee separated under such conditions, who is employed within the Corporation at a subsequent date, shall then be treated as a new employee and his

length of service shall date from the beginning of his new employment.

*Termination of Agreed Period of Employment:* A temporary employee who is separated at the end of an agreed period of employment shall be classified as a special separation.

***Retirement:*** Any separation at or after age 60 except a separation on account of death, and any total and permanent disability retirement. A separation under this classification shall be identified as to type of Retirement as follows: Retirement at automatic retirement date; Retirement subsequent to automatic retirement date; Early retirement—total and permanent disability; Early retirement—at employee's option (equivalent to quit); Early retirement—at Corporation option (equivalent to discharge); Early retirement—at Corporation option—on account of health or performance (equivalent to final release); Early retirement—under mutually satisfactory conditions; Early retirement—(equivalent to special separation)—reasons to be itemized.

***Retirement at Corporation Option—at or after Age 55 but prior to Age 60:*** The separation of an employee at or after age 55 but prior to age 60 who

has 10 or more years of credited service under the provisions applicable to Part 1 of the Retirement Program for Salaried Employees as an early retirement at Corporation option with the prior approval of the governing committee of the Corporation having jurisdiction shall be identified as an early retirement—age 55 but prior to age 60—at Corporation option. This retirement classification shall be utilized only where it is to the advantage of the Corporation to provide for the employee's retirement because of unsatisfactory performance of assigned duties or physical or mental incapacity to perform assigned duties.

#### **When Releases Are Made**

A final release should be effected promptly when it is determined that an employee's services are unsatisfactory. Except in those cases where it is necessary to discharge an employee for cause, it is preferable that the release be made during periods of active business, rather than in periods of declining business, in order that the employee concerned may have a relatively better opportunity to secure other employment. Such action should not be deferred pending any probable staff reduction due to declining business.

#### **Layoff and Recall**

##### ***Basis for Selection of Employees to Be Laid Off:***

If it becomes necessary to reduce the number of employees in any classification of work within a department, where ability, merit, and capacity are equal, the employee with the least service working in such classification in that department shall be laid off.

Before an employee is laid off, he should be considered for placement on a job he can capably perform in the same or another department in the same salary level, or lower if necessary, displacing another employee with less service, providing merit, ability, and capacity are equal.

In connection with reduction of force, it is recognized that in many instances employees in the same classification of work are not interchangeable with respect to their knowledge and experience and their ability to perform all of the duties assigned to such classification. Therefore, no employee shall be retained at work on the basis of length of service who is not capable of performing an available job in a competent and satisfactory manner without additional training.

A laid-off salaried employee, in addition to being listed as available for re-employment with the employing Unit he is leaving, will also be listed with the Central Office Salaried Personnel Placement Activity as available for re-employment with other appropriate General Motors operations. This Activity will provide lists of laid-off salaried employees to all General Motors operations in the community and, where warranted, to operations in other communities.

**Status of Laid-Off Employees:** A regular salaried employee whose performance is satisfactory and who is being removed from the active roll only because of the need for a reduction in force shall be classified as a laid-off employee on inactive status. An employee shall not be classified as a layoff unless the Unit laying him off considers him qualified for re-employment in the position which he last held or a better one. An employee with less than six months of service who is not eligible at the time of layoff to be placed on inactive status will be separated as a layoff.

The length of service of a regular salaried employee who has been laid off and placed on inactive status

will not be broken, but will be retained if he is returned to the active roll from inactive status within one year following layoff, or within a period equal to the length of service he had acquired at the time of transfer to inactive status, if such length of service is less than one year. The period of time on such inactive status will be included in the employee's length of service upon his return to the active roll.

A regular salaried employee who has been laid off and placed on inactive status and is not returned to the active payroll within 12 months from his last day on the active payroll or within a period equal to the length of service he had acquired at the time of transfer to inactive status, if such length of service is less than one year, shall be separated as a layoff at the end of such period.

The length of service of a regular salaried employee with more than one year's length of service who has been separated as a layoff will be re-established if he is returned to the active roll within a period following his last day on the active payroll which does not exceed five years or his length of service at the time of being placed on inactive status, whichever is the lesser. The period of time on inactive

status, up to the first 12 months of any one layoff, will be included in the employee's length of service upon his return to the active roll.

The employee with one year's length of service or more who is laid off and placed on inactive status will be eligible for layoff payments under the provisions of the Separation Allowance Plan, to the extent that he qualifies under that Plan.

**Recall of Laid-Off Employees:** It is the laid-off employee's responsibility to keep Management informed of the address to which any communications are to be directed. The method of notification of change of address is to be established by each employing Unit.

Laid-off salaried employees whose periods of recall preference have not expired shall be given the opportunity to fill openings in the plant or office from which they were laid off, provided they are qualified to perform the work available. Consideration shall be given to merit, ability, capacity, and length of service.

Laid-off salaried employees from other plants or offices in the community, whose periods of recall

preference have not expired and who are qualified to perform the work available, shall be offered the opportunity to fill such positions after the qualified laid-off salaried employees of the plant or office doing the hiring have been recalled. Consideration shall be given to merit, ability, capacity, and length of service. Any such employee who is employed at a plant or office other than the one from which he was laid off may be given an opportunity to be transferred back to the plant or office from which he was laid off if such transfer is mutually agreeable to both Units involved.

New salaried employees shall not be hired until consideration has been given to laid-off General Motors salaried employees available either from the plant or office doing the hiring or from other General Motors plants or offices in the community, if their periods of recall preference have not expired.

**Refusal of Employment:** A laid-off salaried employee who is offered re-employment in his previous position or one paying a salary not less than 80% of the employee's salary at the time of layoff in the plant or office from which he was laid

off and who does not accept such offer within a reasonable period, shall: (1) if on inactive status, be separated as a quit and his layoff payments under the Separation Allowance Plan, if any, shall be discontinued as of the date of such separation; (2) if separated as a layoff, be considered a quit for recall preference purposes and lose eligibility for re-establishment of length of service if later re-employed. Such determination shall be made by the Personnel Director or his designated representative. An appropriate notation to this effect shall be placed in the employee's service record.

A laid-off salaried employee who is to be offered employment in the plant or office from which he was laid off in accordance with the foregoing paragraph, but cannot be so advised orally, shall be sent a registered letter, return receipt requested, advising him of the offer of re-employment. If no response is made to the offer of re-employment within seven calendar days he shall: (1) if on inactive status, be separated as a quit and his layoff payments under the Separation Allowance Plan, if any, shall be discontinued as of the date of such separation; (2) if

separated as a layoff, be treated in the manner outlined in the preceding paragraph.

A laid-off salaried employee who refuses offered employment in a position paying a salary not less than the employee's salary at the time of layoff, in the same community but in a plant or office other than the one from which he was laid off, shall have his layoff payments under the Separation Allowance Plan discontinued, but shall not be separated or considered as a quit. If a laid-off salaried employee of another plant or office who is to be offered employment cannot be so advised orally, he shall be sent a registered letter, return receipt requested, advising him of the offer of employment. If no response is made to the offer of employment within seven calendar days, action shall be taken to discontinue his layoff payments under the Separation Allowance Plan, if any.

#### Approvals Necessary

The Personnel Director or his designated representative shall review and the General Manager (or Plant Manager) or his designated representative

shall approve all separations and all proposed layoffs prior to the notification of the person involved. The specific approval of the General Manager of a Division or Central Office Staff Head is required for the involuntary separation or the layoff of an employee with 10 or more years' length of service.

An immediate supervisor may suspend a salaried employee at any time with or without pay for a period not exceeding one week pending review and final decision of the case. The case shall then be reviewed by the Personnel Director or his designated representative and a report made to the General Manager (or Plant Manager) who will promptly determine the final action to be taken in the case.

### **Notifying the Employee**

**Separations:** Each salaried employee separated from the payroll shall be informed verbally by his immediate superior at the time of separation as to the reasons for such separation and his resulting status. The employee's personnel record should con-

tain the same information. It is important that the affected employee be fully and promptly advised by the proper member of Management, in accordance with local practice, of any action affecting his status.

**Layoffs:** An employee who is to be laid off should be given advance notice of his layoff. At the time of layoff he should be told why the reduction is necessary and the basis for his selection. He should be advised of his status while laid off, that he will be recalled when conditions warrant, and that he will be considered for employment by other General Motors operations in the area.

### **Opportunities for Review**

Any laid-off or separated employee having a complaint regarding his separation may appeal his case to the GM Vice President in Charge of the Personnel Staff, provided the employee has first exhausted all steps for adjusting the complaint within the Division or Central Office Staff from which he was separated. Such appeals must be submitted in detail in writing.

with a full statement of the steps taken to secure adjustments within the employing Unit. An investigation will be made to determine whether the employee has been properly treated in relation to established policy and if it is determined that established policy has not been followed, appropriate action will be taken. In any case, the laid-off or separated employee will be so advised.

#### **Group Insurance and Other Benefit Programs**

A laid-off or separated salaried employee will be eligible for participation in the following benefit programs to the extent outlined for laid-off or separated salaried employees under the specific provisions of each program: Group Life Insurance, Sickness and Accident Insurance, Blue Cross-Blue Shield or Comprehensive Medical Expense Insurance, Savings-Stock Purchase Program, and Retirement Program. For specific information applicable to individual cases, consult the activity in your operation assigned to administer the Group Insurance Plan.

#### **Payment for Period of Employment**

Unless an employee quits or is discharged for cause or is separated because of death, he shall be entitled to receive as a salary payment the unearned base salary plus cost-of-living allowance for the remainder of the contractual period of employment (calendar day or month as the case may be) in which he was separated.

#### **Payment in Event of Death**

A gratuitous payment, in addition to any salary which is due a deceased employee through the date of death, should be made in accordance with the following requirements and limitations:

##### **Temporary and probationary employees —**

If the deceased employee was on a temporary or probationary basis when death occurred, no payment shall be made beyond the date of death.

##### **Employees not on a temporary or probationary basis —**

If the deceased employee was receiving full base salary\* when death occurred, there should be paid

an additional amount equal to one month's full base salary.

If the deceased employee was receiving less than full base salary\* when death occurred, there should be paid an additional amount equal to one month's salary at his reduced salary rate.

If the deceased employee was not receiving salary\* when death occurred, no additional payment shall be made.

No cost-of-living allowance, extended workweek premium, night shift premium, or similar payment in excess of base salary shall be made beyond the date of death.

\*If employee is on leave of absence at the time death occurs, he should be paid on the same salary basis (excluding cost-of-living allowance) as provided for in his leave of absence; if his leave of absence is without pay, no salary payment shall be made. In those instances where death occurs while an employee is on disability leave of absence and receiving the equivalent of full base salary consisting of partial base salary plus Sickness and Accident Benefits and/or Workmen's Compensation, the payment beyond the date of death should be equal to one month's full base salary.

### Separation Allowance

A Separation Allowance Plan has been established for the benefit of salaried employees laid off or separated from the payroll under certain circumstances. The primary purpose of this Plan is to provide a source of income to eligible employees beyond the date of their layoff or separation. The inclusion of a schedule of separation allowances in this booklet, together with the conditions governing their payment, however, is not intended nor is it to be interpreted to establish a contractual relationship with the employee. Where payments are made to a laid-off employee under this Plan, the term "Separation Allowance" will include layoff payments under the Separation Allowance Plan.

Corporation policy provides that where conditions permit, the employee should be given advance notice of layoff or separation. Such advance notice should not affect the amount of separation allowance if the employee is otherwise eligible.

### WHO IS ELIGIBLE

A salaried employee separated from the active pay-



roll will be eligible for a separation allowance provided the employee has a length of service of at least 12 months and is separated under the classifications of Final Release or Mutually Satisfactory Release. In addition, an employee separated as a Special Separation may be eligible and certain employees separated under the classification of Retirement may be eligible.

Payments under the provisions of the Separation Allowance Plan made to employees laid off on inactive status shall be considered as layoff payments.

A salaried employee who has been promoted or transferred from an hourly-rate job or from a position for which compensation is paid on a commission basis to a salaried position and who is subsequently laid off, separated, or demoted under circumstances permitting payment of a separation allowance, will be eligible for a separation allowance only if the employee's length of service in a salaried position subsequent to such promotion or transfer is at least 12 months, regardless of the length of previous service on hourly-rate or on a commission basis. However, after the completion of 12 months' service in a salaried position, such laid-off or separated

employee will receive credit for total length of service in computing the separation allowance.

When an employee dies while in active service, no separation allowance payments shall be made to his estate. If, however, the employee had left the Corporation's active service and dies while receiving separation allowance in monthly payments and before final payment is made, the unpaid balance of the separation allowance shall be paid to the estate in one payment.

### **SPECIAL CASES**

#### **Employees Offered Lower Paid Salaried or Hourly-Rate Jobs**

An employee whose services are satisfactory, but who cannot be continued in his present position because of a declining volume of business or other general causes not the fault of the employee, should be given, if possible, other employment opportunities either on a salary or an hourly-rate basis. In such a case, the employee who is offered a salaried position paying less than 80% of his current base salary rate, or is offered an hourly-rate job, and

refuses to accept such employment, or does accept and during the succeeding six months quits or is separated for any reason other than death, shall be paid the separation allowance to which he was entitled at the time of his transfer to the new position.

#### **Employees Not Re-employed After Completing Leave of Absence**

**Disability Leave of Absence:** If at the time of completion of an approved disability leave of absence it is impossible to reinstate an employee who, in the opinion of Management, is qualified for re-employment in his former position or a position paying a base salary 80% or more of his last base salary rate, he will be paid, if otherwise eligible, a separation allowance based upon his length of service which shall not extend beyond the date upon which such leave of absence became effective.

**Special Leave of Absence:** Payment of separation allowance to an employee not rehired following an

approved special leave of absence will depend upon the circumstances under which the leave was granted.




























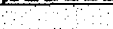
In any case where separation allowance is to be paid, it shall be based upon length of service which shall not extend beyond the date upon which such leave of absence became effective.

**Military Leave of Absence:** If it is impossible to reinstate an employee eligible for re-employment after completion of an approved military leave of absence, the employee will be paid a separation allowance based on his length of service which shall not extend beyond the date on which he was released from the Armed Forces.

#### **BASIS FOR COMPUTING SEPARATION ALLOWANCE**

The separation allowance shall be based upon length of service and the employee's average monthly base salary rate, as shown on the following page.

### SEPARATION ALLOWANCE AS % OF AVERAGE MONTHLY BASE SALARY

Length of Service		Length of Service	
1 year up to 3 years . . . . . 50%		16 years up to 17 years . . . 550%	
3 years up to 4 years . . . . . 75		17 years up to 18 years . . . 600	
4 years up to 5 years . . . . . 100		18 years up to 19 years . . . 650	
5 years up to 6 years . . . . . 125		19 years up to 20 years . . . 700	
6 years up to 7 years . . . . . 150		20 years up to 21 years . . . 750	
7 years up to 8 years . . . . . 175		21 years up to 22 years . . . 800	
8 years up to 9 years . . . . . 200		22 years up to 23 years . . . 850	
9 years up to 10 years . . . 240		23 years up to 24 years . . . 900	
10 years up to 11 years . . . 280		24 years up to 25 years . . . 950	
11 years up to 12 years . . . 325		25 years up to 26 years . . . 1000	
12 years up to 13 years . . . 370		26 years up to 27 years . . . 1050	
13 years up to 14 years . . . 415		27 years up to 28 years . . . 1100	
14 years up to 15 years . . . 460		28 years up to 29 years . . . 1150	
15 years up to 16 years . . . 505		29 years and over . . . . . 1200	

### **Computation of Average Monthly Base Salary**

Average monthly base salary rate for the purpose of computing separation allowance is the average base salary during the last 12 or the last 36 months of recognized service prior to the last day actually worked and during which the employee was paid full base pay, whichever period would result in the higher average monthly base salary rate. In those instances in which certain of the calendar months immediately preceding the last day actually worked are excluded for the purpose of determining the average monthly base salary rate because the employee was not paid full base salary, an additional number of months shall be added so that the average base salary rate is computed on a period during which full base salary was paid. If the employee's length of service is less than 36 months, the average monthly base salary rate should be computed on the number of months prior to the last day actually worked, or the last 12 months, during which the employee received full base pay, whichever period would result

in the higher average monthly base salary rate.

In those cases, where an employee, who had previously been separated and upon rehire had re-established his service, is again separated, and is eligible for a separation allowance, his average monthly base salary rate will be computed based on the last 12 or the last 36 months of recognized service as described above, reflecting months of service after re-employment and, to the extent required, months of service prior to the previous separation.

### **Employee on Salary-Plus-Commission, or Sales or Earnings Basis**

The separation allowance of an employee on a salary-plus-commission basis, or of an employee whose compensation is determined by sales or earnings, shall be based on the employee's base salary, not including any commission or supplemental compensation determined by sales or earnings. However, if the employee is guaranteed a certain minimum compensation, the amount of such guaranteed minimum compensation shall be used in lieu of the base salary rate.

### **PAYMENT OF SEPARATION ALLOWANCE**

Separation allowance payments shall be made in accordance with the following:

***Full Separation Allowance Shall Be Paid in One Payment at the Time of Separation to:***

Any employee separated as a final release, in those cases in which the employee's physical or mental condition is such that it can definitely be determined that he will not be re-employed.

Any employee separated as a special separation, when such an individual elects to take separation allowance rather than accept a salaried position paying less than 80% of the base salary rate of his current position, a suitable hourly-rate job, or employment on a commission basis.

Payment of separation allowance to employees separated for the reasons indicated in the foregoing paragraphs may be made in monthly instalments when requested by the employee and approved by the General Manager of a Division or Central Office Staff Head.

***Separation Allowance Shall Be Paid in Monthly Instalments to:*** An employee separated as a final release other than an employee separated under this classification for the reason indicated above.

An employee separated as a mutually satisfactory release.

An employee classified as a layoff on inactive status and such separation allowance payments shall be considered as layoff payments under the Separation Allowance Plan.

An employee separated as a layoff at the end of the authorized period on inactive status, if his layoff payments under the provisions of the Separation Allowance Plan have not been completely paid out at the time of such separation. In such case, the unpaid balance shall be considered as a separation allowance.

An employee separated as a special separation other than an employee separated under this classification for the reason indicated above.

The amount of separation allowance paid monthly shall be equal to the employee's last base monthly salary. The first payment shall be made in the month

following that in which the employee was separated. At the discretion of the Division, separation allowance payments may be made at the end of the month or on the same salary payment schedule which would have been followed had the employee remained on the payroll.

Employees eligible for separation allowance payments who are rehired on other than the first scheduled working day of a month will receive separation allowance for fractional month periods.

Except in the case of an employee classified as a layoff on inactive status, a single payment of the total separation allowance may be made to employees in any of the above groups when approved by the General Manager of a Division or Central Office Staff Head.

**Refusal of Employment:** A laid-off salaried employee on inactive status who is offered re-employment in his previous position or one paying a salary not less than 80% of the employee's salary at the time of layoff, in the plant or office from which he was laid off, and who does not accept such offer within a reasonable period shall be separated as a

quit. Layoff payments, if any, to the employee shall be discontinued as of the date of such separation.

A laid-off salaried employee who is to be offered re-employment in accordance with the foregoing paragraph but cannot be so advised orally shall be sent a registered letter, return receipt requested, advising him of the offer of re-employment. If no response is made to the offer of re-employment within seven calendar days, the employee shall be separated as a quit and his layoff payments, if any, shall be discontinued as of the date of such separation.

A laid-off salaried employee who is offered employment, in a position paying a salary not less than the employee's salary at the time of layoff, in the same community but in a plant or office other than the one from which he was laid off, and refuses it, shall have layoff payments discontinued, but shall not be separated or considered as a quit. A laid-off salaried employee of another plant or office who is to be offered employment but cannot be so advised orally, shall be sent a registered letter, return receipt requested, advising him of the offer of employment. If no response is made to the offer of employment within seven calendar days, action

shall be taken to discontinue the layoff payments, if any, being made to the employee.

A laid-off salaried employee on inactive status who indicates in writing that he wishes to be separated shall: (1) if his decision is for the purpose of qualifying for retirement benefits, be separated as a quit or as a mutually satisfactory release, depending upon the circumstances of the individual case; (2) if his decision is for any other reason, be separated as a quit. If the employee is separated as a quit, his layoff payments, if any, shall be discontinued as of the date of such separation; if the employee is separated as a mutually satisfactory release, his layoff payments shall be considered as separation allowance payments and shall continue to be paid, if any amount is still due.

#### **EMPLOYEES REHIRED AND LATER LAID OFF OR SEPARATED**

A salaried employee previously paid a separation allowance who on rehire re-establishes the length of service on which such separation allowance was

computed and who is again laid off or separated under circumstances entitling him to a separation allowance shall receive as a separation allowance an amount based on the following:

#### ***Where Average Monthly Base Salary Rate Is the Same or Higher than Salary on Which Previous Separation Allowance Was Based:***

If, since re-employment, the employee's average monthly base salary rate is the same or higher than the average monthly base salary rate on which his previous separation allowance was based, he shall then receive as a separation allowance the difference between the amount applicable to his total length of service (with a maximum of 29 years) and the amount of the separation allowance previously paid him, and in addition any amount of previous separation allowance that may have been repaid.

#### ***Where Average Monthly Base Salary Rate Is Less than Salary Rate on Which Previous Separation Allowance Was Based:***

If, since re-employment, the employee's average monthly base salary rate is less than the average monthly base salary rate on which his previous separation allowance was based, he will receive a separation allow-

ance based on the formula outlined above, but in no case less than the amount that would be applicable solely to that portion of his new period of salaried employment which when added to his previous service would not exceed the maximum of 29 years, and in addition any amount of previous separation allowance that may have been repaid.

***Payment of Separation Allowance to Employees Not Re-establishing Length of Service Upon Rehire Who Were Previously Paid a Separation Allowance and Who Are Again Laid Off or Separated:*** A salaried employee previously paid a separation allowance whose length of service is not re-established upon rehire shall have the status of a new employee upon rehire and if again laid off or separated under circumstances entitling him to a separation allowance, shall receive as a separation allowance an amount based on length of service applicable to his new period of employment, except

that this length of service when added to the length of service on which his previous separation allowance was based shall not exceed a maximum of 29 years of service.

### **Change of Status -- Approvals Required**

The Personnel Director, or another designated member of Management, shall review and the General Manager (or Plant Manager), or his designated representative, shall approve all promotions, demotions, layoffs and separations prior to the notification of the person involved. This procedure is designed to give employees every consideration and make personnel changes that are fair and equitable for all concerned.

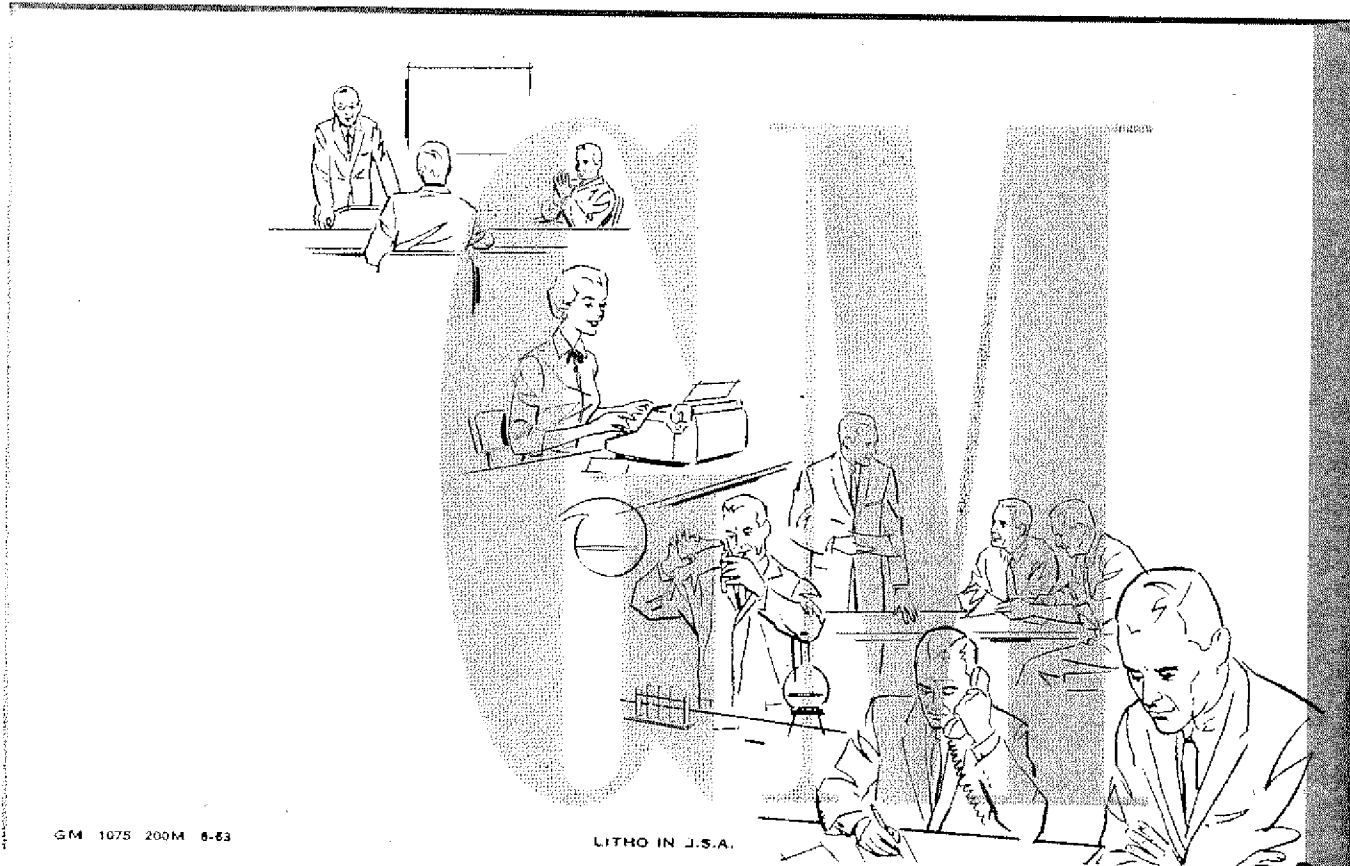


## IN CONCLUSION

Although we have described the principal benefits for which salaried men and women of General Motors may be eligible, it is impossible in any booklet to cover every situation that may arise. If you need further information or are in doubt as to how any of these policies and procedures apply to you, ask your supervisor. He will answer your question or get the answer for you.

The contents of this handbook are presented as a matter of information only. While General Motors believes wholeheartedly in the plans, policies and procedures described here, they are not conditions of employment. General Motors reserves the right to modify, revoke, suspend, terminate,

or change any or all such plans, policies, or procedures, in whole or in part, at any time, with or without notice. The language used in this handbook is not intended to create, nor is it to be construed to constitute, a contract between General Motors and any one or all of its employees.



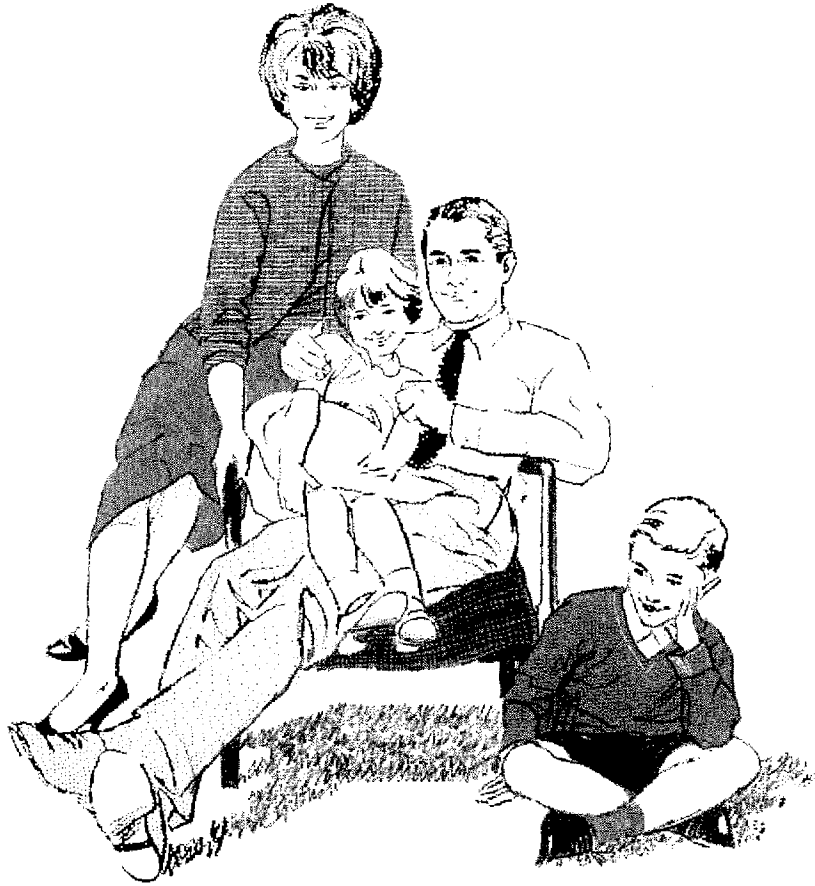
**Annex B**

*The General Motors*

# **INSURANCE PROGRAM**

*For salaried employees with monthly base salaries of less than \$750*





*your GM Insurance Program  
protects you and your family in the event of*

- DEATH
- LOSS OF INCOME DUE TO SICKNESS OR INJURY
- TOTAL AND PERMANENT DISABILITY
- HOSPITAL AND DOCTOR BILLS

# PROTECTION FOR YOU



## YOUR GM INSURANCE PROGRAM INCLUDES:

- (A) The GM Group Insurance Plan  
which provides Life, Extra Acci-  
dent, Survivor Income Benefit,  
and Sickness and Accident In-  
surance
- and*
- (B) Basic Hospital, Surgical and  
Medical Expense Coverages

## GENERAL MOTORS PAYS THE COST

The full cost of your insurance is paid  
by GM while you are at work and  
during certain periods of layoff and  
leave of absence.

# AND YOUR FAMILY

**1 Life Insurance** – Insurance equal to approximately two years' base salary. The amount ranges from \$8,500 to \$18,000 and is determined by your monthly base salary.

(See page 7)

**2 Extra Accident Insurance** – An additional benefit equal to one-half your Life Insurance in the event of death by accident. This additional benefit ranges from \$4,250 to \$9,000. You may receive an amount equal to one-half your Life Insurance for accidental loss of certain bodily members or accidental and permanent loss of sight.

(See page 8)

**3 Survivor Income Benefit Insurance** – A new benefit of \$100 per month payable to your surviving spouse, if such spouse was age 50 or older at your death and was otherwise eligible. This benefit may be payable until age 62.

(See page 9)

**4 Sickness and Accident Insurance** – Income for up to 12 months while you are totally disabled. This valuable coverage keeps money coming in when you cannot work because of sickness or injury . . . from \$275 to \$530 a month depending upon your monthly base salary.

(See page 10)

**5 Total and Permanent Disability Benefits** – Your Life Insurance paid to you in monthly installments for up to 50 months if you are under age 60 and have at least ten Years of Participation at the end of the month in which you become totally disabled. These benefits are in addition to any GM retirement benefits for which you may also be eligible.

(See page 11)

**6 Basic Hospital, Surgical and Medical Expense Coverages**

## Basic Hospital Expense Coverage

In most situations all of the hospital expenses for you and your covered dependents paid by this coverage for up to a year of hospital confinement.

## Basic Surgical and Medical Expense Coverage

Full payment or liberal allowances to help you take care of doctor bills and other expenses when you, or a covered member of your family, may need a surgical operation. This coverage also provides full payment or liberal allowances for obstetrical services other than pre- and post-natal care. And, while you or one of your covered dependents is in the hospital, this coverage provides full payment or payment of a substantial portion of your doctor's fees for visits to the hospital for as long as a year due to reasons other than surgery or obstetrical care.

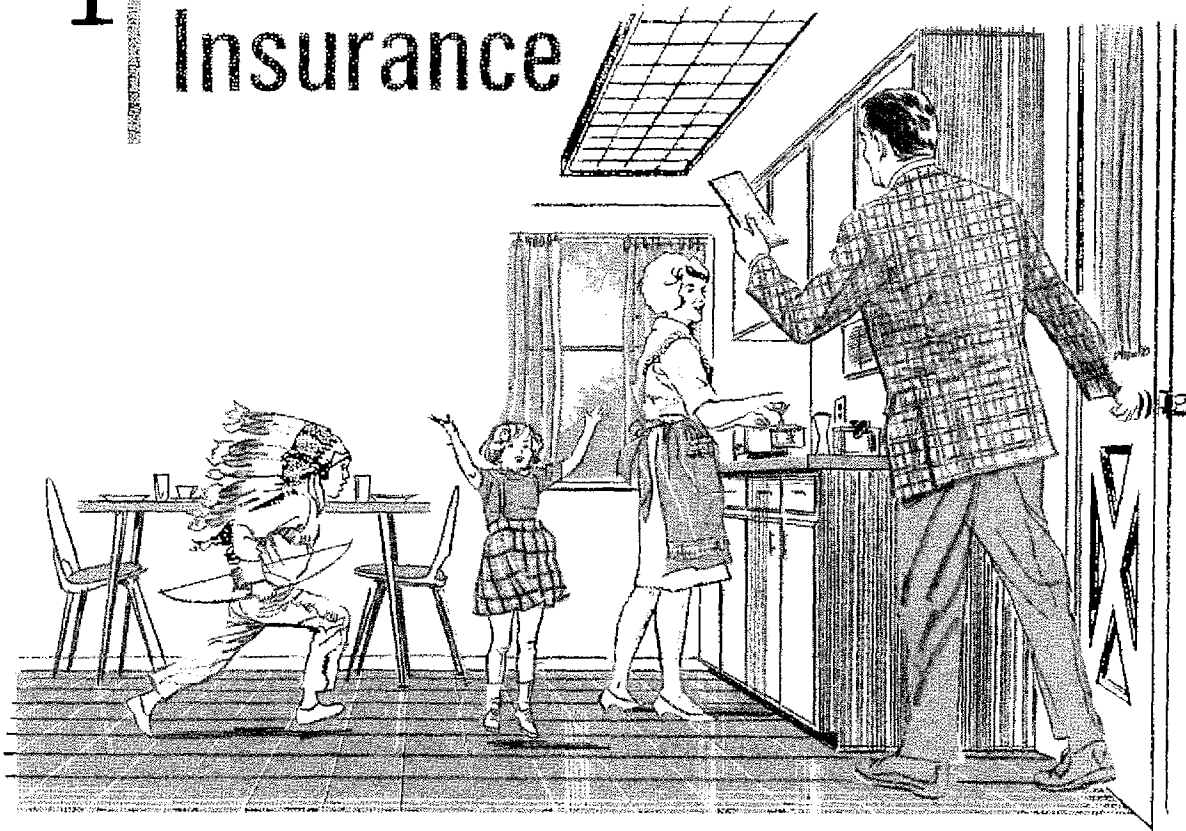
(See page 12)

## other important information about your coverages

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■ <i>when coverages start</i> . . . . .	14
■ <i>when amounts of insurance change</i> . . . . .	14
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# 1 | your Life Insurance



If you should die while covered for Life Insurance before you are age 65, the beneficiary you have designated will receive benefits equal to approximately two years' base salary. This benefit is payable regardless of the cause of your death.

The amount of your Life Insurance before age 65 depends upon your monthly base salary, which does not include overtime, night shift premiums or Cost-of-Living Allowance. To find the amount of your Life Insurance, look at the table on pages 22 and 23.

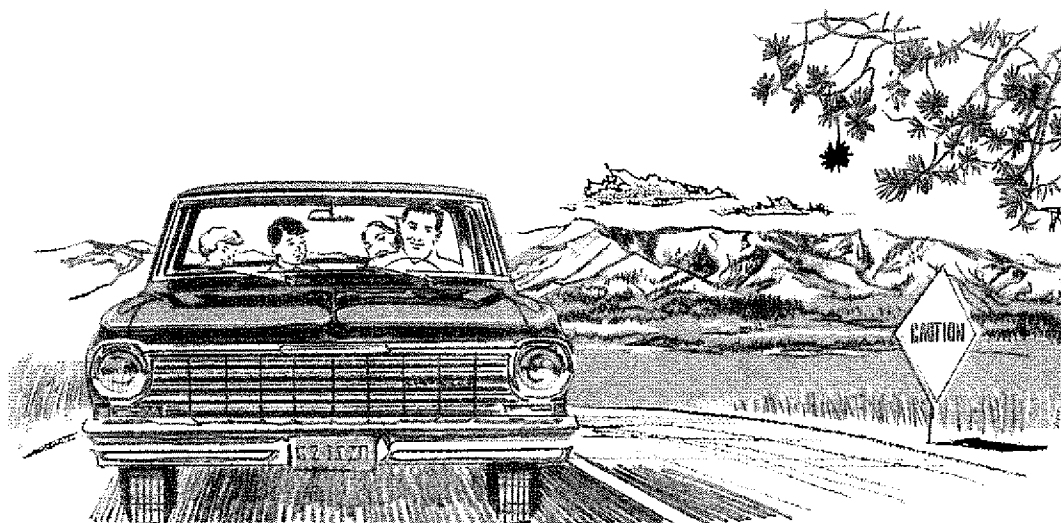
Life Insurance in a reduced amount is continued for employees and retired employees after age 65 as explained on page 17.

You have the right to designate the beneficiary of your choice, and to change your designation at any time.

This benefit can be paid to your beneficiary in one lump sum, or your beneficiary can make arrangements with the Insurance Company to have the money paid in instalments over a period of years.

To be sure your beneficiary knows what protection is provided, it would be well to discuss with your beneficiary the Life Insurance coverage you have, as well as the increased amount which would be payable on account of accidental death, and any Survivor Income Benefits which might be payable.

## 2 | your Extra Accident Insurance



This coverage provides extra benefits for death by accidental means or for loss of certain bodily members or loss of eyesight by accidental means. These benefits are payable whether you are injured on or off the job.

### *accidental death*

If you should die by accidental means, your beneficiary will receive your Extra Accident Insurance in addition to the other benefits payable in the event of death. The amount of your Extra Accident Insurance is one-half of your Life Insurance, and is shown on page 22, opposite your monthly base salary.

### *loss of bodily members or eyesight*

Your Extra Accident Insurance also provides benefits for loss, by severance, of a hand at or

above the wrist joint or a foot at or above the ankle joint, or the permanent loss of the sight of an eye, if due to an injury caused accidentally. For any one of these losses you will receive one-half of your Extra Accident Insurance. Your full Extra Accident Insurance will be paid to you if you should suffer two or more such losses. If death results from an accident for which you have already received part of your Extra Accident Insurance, your beneficiary will receive the rest of your Extra Accident Insurance.

For Extra Accident Insurance to be payable, your death or loss must occur within one year following the accident and must not be due to disease, self-inflicted injury or any act of war.

## 3 | your Survivor Income Benefit Insurance



This important new protection is provided if you qualify by having a spouse who would be an eligible survivor at your death. Survivor Income Benefit Insurance payments are in addition to your Life and Extra Accident Insurance. Since this is a new benefit, you will want to read the following description carefully to see how this coverage applies to you.

You will have Survivor Income Benefit Insurance while you are insured for Life and Extra Accident Insurance until the end of the month in which you retire or attain age 68, whichever is earlier. However, if you retire under the total and permanent disability provisions of the GM Retirement Program for Salaried Employees prior to age 60 and are insured, you will continue to have this insurance but only until the end of the month in which you attain age 60.

A Survivor Income Benefit of \$100 per month will be paid to your widow or widower if such survivor was age 50 or older but less than age 62 on the date of your death, and qualifies as an eligible survivor. Your widow will qualify provided she was legally married to you for at least one year immediately prior to your death. Your widower will qualify provided (i) at the time each monthly Survivor Income Benefit is payable, he has dependent on him for principal support your unmarried child under 21

years of age, or (ii) your income during the calendar year preceding your death was 50% or more of the combined income of you and your husband during such year. The Survivor Income Benefit will be payable commencing on the first day of the calendar month following the month of your death and will cease with the last Survivor Income Benefit payment prior to the earliest of the following:

1. remarriage,
2. attainment of age 62 or such lower age at which full Widow's or Widower's Insurance Benefits or Old Age Survivors' Insurance Benefits become payable under the Federal Social Security Act,
3. death, or
4. in the case of your widower who qualifies because of a dependent child, the date he ceases to have dependent on him for principal support your unmarried child under 21 years of age.

Survivor Income Benefits are not payable to an otherwise eligible widow for any month in which she could qualify to receive Mother's Insurance Benefits under the Federal Social Security Act, even though she does not receive a Mother's Insurance Benefit for any reason.

## 4 | your Sickness and Accident Insurance

While you are unable to work because of sickness or injury and you are under the care of a doctor, Sickness and Accident Benefits can keep money coming in for as long as 12 months.

Under the liberal schedule of benefits provided by the GM Group Insurance Plan, a large part of the income lost to you while you are totally disabled is replaced. Your Sickness and Accident Benefits commence after a seven-day waiting period and are payable on a monthly basis; however, for your convenience, they will be paid on your regular payday. When benefits are due for an entire pay period of one-half a month, you get half the monthly benefit. Benefits for less than an entire pay period are paid on a pro-rata basis. Your benefits are shown in the table on pages 22 and 23. If you are an employee working in California, New Jersey, New York, or Rhode Island, see also pages 19, 20 and 21.

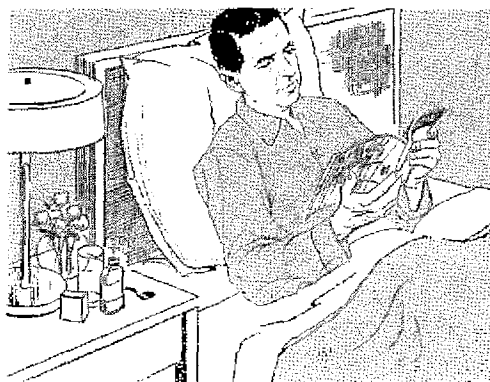
If you come back to work after receiving Sickness and Accident Benefits for less than 12 months, and you are again absent for the same reason or some disability related to it within the next three months, your monthly benefits pick up where they left off without another waiting period and continue for the rest of the 12-month period, if you remain unable to work that long.

If your second absence results from a different kind of sickness or injury, or starts three consecutive months or more after your first disability ended and you return to work for at least one day in the intervening period, the

first absence does not affect your future benefits. A seven-day waiting period will again apply.

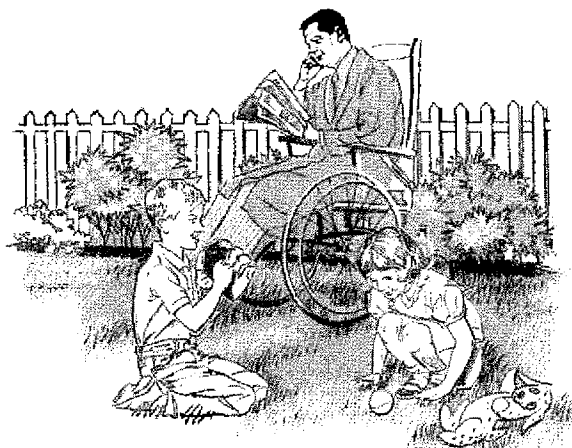
If you are entitled to Workmen's Compensation for time lost from work because of an on-the-job disability, you may still be eligible for supplemental Sickness and Accident Benefits. If your Workmen's Compensation payments are lower than your Sickness and Accident Benefits, you receive the difference for up to 12 months. Workmen's Compensation payments for hospitalization or medical expense, or specific allowances for loss, or 100% loss of use, of bodily members or for disfigurements, do not reduce your Sickness and Accident Benefits.

GM women may receive up to one and one-half months of benefits while away from work because of pregnancy, childbirth, or resulting complications.



# your Total and

## 5 Permanent Disability Benefits



If you are totally and permanently disabled and have received your Sickness and Accident Benefits for 12 months or such shorter period as you may elect, you may then elect to receive your Life Insurance in 50 monthly instalments at the rate of \$20 for each \$1,000 of Life Insurance during such disability, provided you became so disabled before the end of the month in which you reached age 60, and had ten or more Years of Participation at the end of the month in which you became so disabled. These benefits are in addition to any GM disability retirement benefits for which you may also be eligible.

For example, if you have \$13,200 of Life Insurance, you would receive \$264 a month for 50 months. The amount of your Total and Permanent Disability benefit is shown in the table on pages 22 and 23.

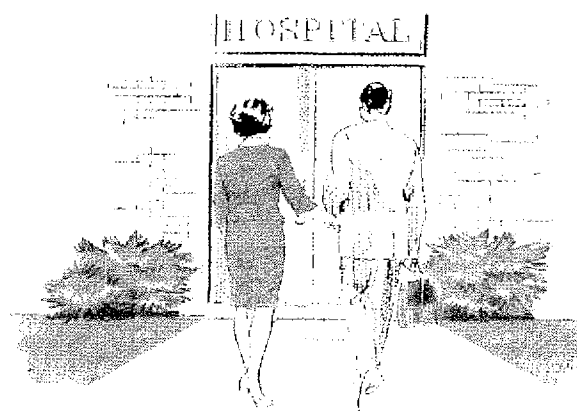
Payments may start as soon as you have received all of the Sickness and Accident Benefits which are payable. And these instalment payments of Life Insurance will continue, while you are totally and permanently disabled, for up to 50 months.

Payment of your Life Insurance in monthly instalments does not mean, however, that you would be left without any death benefit. If you receive all of your Life Insurance in instalments, the Plan provides an additional \$500 which is payable to your beneficiary at the time of your death. If you should die before receiving the full 50 monthly instalments, your beneficiary would receive the unpaid balance of your Life Insurance, but in no case less than \$500.

Your Extra Accident Insurance will be discontinued when you start receiving the monthly instalments. Your Survivor Income Benefit Insurance, if any, will be continued while you are receiving total and permanent disability benefits under the GM Retirement Program for Salaried Employees, but not beyond the end of the month in which you attain age 60.

If you should become totally and permanently disabled but do not meet the requirements for receiving your Life Insurance in instalments, you will be eligible to continue your insurance as explained on page 15.

# 6 | your Basic Hospital, Surgical and Medical Expense Coverages



The GM Insurance Program provides a high level of basic Hospital, Surgical and Medical Expense protection in each locality for employees and their eligible dependents. Such coverages are provided by the Blue Cross and Blue Shield or other local plans in your community or through the Metropolitan Life Insurance Company.

Where a local plan makes available basic Hospital, Surgical and Medical Expense coverages for special dependents (other than those included as eligible dependents), GM may make such special dependent coverages available to employees subject to the terms and limitations of the local plans. Such employees pay the full monthly premium or subscription

charge for the special dependent coverages for which they enroll. Payment for such coverages is by payroll deduction while the employee is actively at work.

The basic Hospital, Surgical and Medical Expense benefits summarized on the following page are those available to employees in Michigan. These benefits are representative of the benefits available to GM employees in most local plan areas.

*You will want to read the certificate and other literature provided by the local plans in your area or by the Metropolitan Life Insurance Company for more detailed information as to the benefits which are currently available to you.*

Supplementary coverages for reasonable and necessary medical expenses are provided under the GM Comprehensive Medical Expense Insurance Program. These coverages are described in a separate booklet, and all references to Hospital, Surgical and Medical Expense benefits in this booklet apply only to basic coverages.

### basic hospital expense coverage

Upon admission to a participating hospital, a GM employe in Michigan and his eligible dependents, during the first 365 days of confinement (30 days for tuberculosis or nervous or mental disorders), can receive:

1. Care in a semi-private hospital room, including general nursing care, meals and special diets.
2. Use of operating room, other surgical treatment rooms, and delivery room.
3. Anesthesia, when administered by an employe of the hospital.
4. All hospital laboratory services.
5. Physical therapy treatments.
6. Oxygen and other gas therapy.
7. Recognized drugs, biologicals and solutions.

8. Gauze, cotton, fabrics, solutions, plaster and other materials used in dressings and casts.
9. Use of radium when owned or rented by the hospital.
10. Routine nursery care of a newborn child during the mother's hospital stay for maternity.
11. Unlimited hospital emergency-room service.

Certain benefits are also provided for non-emergency care in the hospital's outpatient department and for confinement in a non-participating hospital.

*Read the certificate and other literature provided by the local plan in your area or by the Metropolitan Life Insurance Company for more detailed information as to the benefits which are currently available to you.*

### basic surgical and medical expense coverage

GM employes in Michigan and their eligible dependents are provided with the following surgical and medical services which are designated as Class I services\*:

1. Surgical Fees—Full payment for surgical operations for employes with annual income levels under \$7,500; liberal allowances for employes with annual income levels of \$7,500 or more.
2. Obstetrical Services—Full payment or liberal allowances for delivery of the baby, excluding pre-natal and post-natal care.
3. Medical Services—Full payment or liberal allowances for charges made by your doctor for visits to the hospital not related to surgery or obstetrical care. Payments are made for such visits during the first 365 days of hospital confinement (30 days for tuberculosis or nervous or mental disorders).
4. Anesthesia Services—Other than by an employe of the hospital or the operating surgeon.
5. Emergency Care—Benefits are payable up to \$15 for emergency services by a physician within 24 hours following an accident.

Benefits are also available for the following services which are designated as Class II services; however, for each Class II service, the employe makes an initial payment of \$5.00 or 10% of the charge, whichever is greater, but the total of such payments for any year is limited to a specified amount (up to \$75 per member):

6. Diagnostic Services—Coverage for diagnostic X ray, electrocardiograms, out-of-hospital laboratory services, etc.
7. Radiological Therapy for Malignancies.
8. Technical Assistance—Coverage for one bedside consultation in the hospital and technical surgical assistance, if required and not routinely available.

\*The "full payment" references apply only when services are rendered by Participating Physicians.

*Read the certificate and other literature provided by the local plan in your area or by the Metropolitan Life Insurance Company for more detailed information as to the benefits which are currently available to you.*

## OTHER IMPORTANT INFORMATION ABOUT YOUR COVERAGES

### *when coverages start*

To become insured under the GM Group Insurance Plan, just fill out and return the enrollment card that will be given to you. Your insurance will start on the first day of the month next following the month in which employment commences, provided you are then actively at work. If you have enrolled and are not actively at work on the date your insurance would normally become effective, you will become insured on the date you return to work, unless you are then considered as a new employee under the terms of the Plan.

When you enroll for the basic Hospital, Surgical and Medical Expense coverages which the GM Insurance Program provides, be sure to list all your eligible dependents. Also, be sure to tell the Personnel Office promptly when you have a new dependent because of marriage, or birth of a child, or when a member of your family is no longer eligible for coverage.

### *when amounts of insurance change*

Your monthly base salary, exclusive of overtime, night shift premiums or Cost-of-Living Allowance, on the date you become insured determines the amount of your Life, Extra Accident and Sickness and Accident Insurance under the GM Group Insurance Plan.

An increase in your insurance because of a change in your monthly base salary will become

effective immediately. A decrease in your insurance because of a reduction in your monthly base salary will not become effective until the first day of the following month. If you are not actively at work on the date an increase or decrease would otherwise become effective, the change will be effective on the date you return to work unless you are then classed as a new employee under the Plan. No change in the amount of your Life or Extra Accident Insurance because of changes in monthly base salary will become effective after you attain age 65.

### *years of participation*

Certain benefits and continuation rights depend on your Years of Participation in the GM Group Insurance Plan.

For service prior to September 1, 1950, Years of Participation are, in general, equal to your recognized length of service at September 1, 1950. Any service prior to December 1, 1926 is excluded.

For service after September 1, 1950, you will receive credit for any period for which you are insured for Life Insurance, plus any period during which you are not insured while on military leave of absence or receive Total and Permanent Disability benefits under the Plan. You receive credit only for periods prior to the end of the month in which you reach age 65. If you are not insured for Life Insurance for the whole of a period in excess of 24 consecutive months and your recognized length of service is broken,



you will lose credit for Years of Participation for any period prior to a reinstatement of insurance. If you return to work with unbroken recognized length of service, there will be no loss of credit.

### *how to claim benefits*

Proof of disability or death must be furnished as required by the Insurance Company. The claim forms may be obtained through your supervisor or the Personnel Department.

### *insurance certificates*

You will receive certificates describing your insurance under the Group Policies issued to General Motors Corporation by the Metropolitan Life Insurance Company, and certificates describing your basic Hospital, Surgical and Medical Expense coverages.

### *if you are laid off*

*your life, extra accident, survivor income benefit, and sickness and accident insurance can be continued*

Your Life, Extra Accident, Survivor Income Benefit, and Sickness and Accident Insurance will be continued for the first month following the month in which you are laid off. Then, although your Sickness and Accident Insurance is discontinued, you may keep the remainder of your insurance for the next 11 months if you are on layoff that long. However, your Survivor Income Benefit Insurance will not be continued beyond the end of the month in which your recognized length of service is canceled because of retirement or you attain age 68, whichever is earlier.

GM will pay the full cost of your insurance for the first month following the month in which you are laid off. Thereafter, if you are under age 65, your monthly contribution will be 50 cents for each \$1,000 of Life Insurance.

*your basic hospital, surgical and medical expense coverages can be continued*

While you are on layoff and your recognized length of service remains unbroken, you may keep your basic Hospital, Surgical and Medical Expense coverages in effect for a maximum

period equal to your recognized length of service as of the last day worked, but not to exceed 24 months beyond the last month of coverages for which GM contributed for you while you were in active service. If you have been employed for less than six months, you may continue your coverages for one month for each full month from your date of hire to the last day worked.

During the period in which coverages may be continued, as set forth above, contributions will be payable as follows:

- If you have less than one year of recognized length of service, you must pay one-half the monthly premium or subscription charge.
- If you have one year of recognized length of service but less than two years, GM will contribute the full cost for one month for each two full months of your recognized length of service; you must pay one-half the cost for the balance of the first 12 months and the full cost thereafter.
- If you have two years or more of recognized length of service, GM will contribute the full cost for the first 12 months and you must pay the full cost thereafter.

### *if you go on disability leave; or special leave of absence because of pregnancy*

*your life, extra accident, survivor income benefit, and sickness and accident insurance can be continued*

Your Life, Extra Accident, Survivor Income Benefit and Sickness and Accident Insurance will be continued for any period during which you are entitled to receive Sickness and Accident Benefits or, if longer, while you are totally and continuously disabled and remain on an approved disability leave of absence which commenced while you were insured for Sickness and Accident Benefits, but not to exceed the period equal to your Years of Participation as of the first day of disability. GM will pay the full cost during such continuance.

If you continue to be totally disabled after the expiration of the longer of the periods above, and your Years of Participation as of the end of the month in which you became disabled exceed the period for which your in-

insurance has been continued during your disability, all your insurance under the GM Group Insurance Plan, except Sickness and Accident Insurance, may be continued on a basis determined by your Years of Participation as of the end of the month in which you became disabled, as follows:

(1) If you had less than ten Years of Participation, you may continue such insurance for any balance of a period of one year from the end of the month in which you became disabled, or, if longer, for the balance of a period equal to your Years of Participation but not beyond the end of the month in which you attain age 65. During the balance of either such period, your monthly contribution is 50 cents for each \$1,000 of Life Insurance.

(2) If you had ten or more Years of Participation, you may continue such insurance up to the end of the month in which you attain age 65. During this period, your monthly contribution is 50 cents for each \$1,000 of Life Insurance; however, if you become totally and permanently disabled at or after age 60 but prior to age 65, or prior to age 60 and elect not to receive Total and Permanent Disability benefits under the GM Group Insurance Plan, GM will pay the full cost of your insurance until the end of the month in which you attain age 65. After age 65 you will have, without cost to you, the Life Insurance described on page 17.

Your Survivor Income Benefit Insurance will not be continued beyond the end of the month in which you attain age 68. Nor will it be continued beyond the end of the month in which you retire, unless such retirement is prior to age 60 and under the total and permanent disability provisions of the GM Retirement Program for Salaried Employees. In that case your Survivor Income Benefit Insurance can be continued to the end of the month in which you attain age 60.

The provisions set forth above with respect to continuation of insurance during disability leave of absence are also applicable if you are on a special leave of absence because of pregnancy.

*your basic hospital, surgical and medical expense coverages can be continued*

While on an approved disability leave of ab-

sence, you may continue basic Hospital, Surgical and Medical Expense coverages for yourself and your eligible dependents provided you are totally and continuously disabled. If you have at least six months of recognized length of service on the last day worked, GM will pay the full monthly premium or subscription charge for coverages you continue under the Program during an approved disability leave of absence, but not to exceed the period equal to your recognized length of service when the absence commenced. You must contribute one-half the monthly premium or subscription charge for coverages continued in any month in which GM does not pay the full cost.

The provisions set forth above with respect to continuation of coverages during disability leave of absence are also applicable if you are on a special leave of absence because of pregnancy.

*if you go on leave of absence other than for disability*

*your life, extra accident, survivor income benefit, and sickness and accident insurance can be continued*

During the first month of an approved leave of absence other than for disability, GM will pay the full cost of continuing your Life, Extra Accident, Survivor Income Benefit, and Sickness and Accident Insurance. You may continue all your insurance, except Sickness and Accident Insurance, for up to 11 additional months thereafter by making your monthly contribution of 50 cents for each \$1,000 of Life Insurance. However, your Survivor Income Benefit Insurance will not be continued beyond the end of the month in which your recognized length of service is canceled because of retirement or you attain age 68, whichever is earlier.

*your basic hospital, surgical and medical expense coverages can be continued*

Your basic Hospital, Surgical and Medical Expense coverages may be continued during a leave of absence for reasons other than disability for up to 12 months following the last month of coverages for which GM contributed

for you while you were in active service, provided your recognized length of service remains unbroken. To continue such coverages, you must contribute one-half the monthly premium or subscription charge each month.

### *additional continuance privileges*

#### *age 55 to 65*

If you retire under the provisions of the GM Retirement Program for Salaried Employees at or after age 55 but prior to age 60, at the option of GM, or voluntarily if your combined years of age and service total 85 or more, and you were insured from age 55 to the date you retire, you may continue your Life and Extra Accident Insurance to the end of the month in which you attain age 65, provided you pay the required monthly contribution of 50 cents for each \$1,000 of Life Insurance.

If you cease active work at or after age 60 but prior to age 65, had five or more Years of Participation at the end of the month in which you attained age 60 and were insured from age 60 to the date you cease active work, you may continue your Life and Extra Accident Insurance after you leave GM to the end of the month in which you attain age 65. Your Survivor Income Benefit Insurance may be continued along with your Life and Extra Accident Insurance, but not beyond the end of the month in which you retire. In any month for which GM does not pay the full cost during layoff, leave of absence or disability, your contribution is 50 cents for each \$1,000 of Life Insurance.

At age 65 your Life Insurance, subject to the reductions described below, will continue under the Plan for the rest of your life and GM will pay the full cost.

#### *after age 65*

If you have ten or more Years of Participation at the end of the month in which you attain age 65, your Life and any Extra Accident Insurance will be reduced each month, at the rate of 2% of the amount you had at age 65, beginning with the first day of the month following your 65th birthday. For example, if you have \$18,000 of Life Insurance, it will be reduced by \$360 each month and your Extra Accident Insurance of \$9,000 will be reduced

by \$180 each month.

Your Life and Extra Accident Insurance will be reduced to an amount determined by your Years of Participation at the end of the month in which you attained age 65. If you had ten Years of Participation, your insurance will be reduced to 15% of the insurance you had at the end of the month in which you attained age 65. If you had more than ten Years of Participation, such percentage will be increased by  $1\frac{1}{2}\%$  of the insurance you had at the end of the month in which you attained age 65 for each Year of Participation over ten, until it reaches a maximum of 30% for 20 Years of Participation. In no event will your Life Insurance be reduced below \$1,500 (or the amount you have left after receiving any Total and Permanent Disability benefits, if lower), and it will continue under the Plan for the rest of your life.

For example, if you had \$18,000 of Life Insurance at the end of the month in which you attained age 65 and had 20 or more Years of Participation, your Life Insurance would not be reduced below \$5,400. If you had ten Years of Participation, your Life Insurance would not be reduced below \$2,700. In either event, your Extra Accident Insurance would be one-half of such amounts.

Your Extra Accident, Survivor Income Benefit and Sickness and Accident Insurance will be discontinued at the end of the month in which you cease work, unless you have a further continuance privilege during layoff, leave of absence or disability. In no event, however, will your Extra Accident and Survivor Income Benefit Insurance be continued after the end of the month in which you retire or attain age 68.

If you have less than ten Years of Participation at the end of the month in which you attain age 65, your Life and Extra Accident Insurance will be reduced by 2% each month while you remain insured to a minimum of 15% of the insurance you had at the end of the month in which you attained age 65. Your Life, Extra Accident, Survivor Income Benefit and Sickness and Accident Insurance will be discontinued at the end of the month in which you cease work, unless you have a further continuance privilege during layoff, leave of absence, or disability.

*if your life insurance is discontinued*

If your Life Insurance under the Plan is discontinued while you are not actively at work, you may convert all or any part of your Life Insurance, plus an amount equal to any Survivor Income Benefit Insurance for which you are covered at the time your Life Insurance is discontinued, within 31 days thereafter to an individual policy *without medical examination*. This means that the Metropolitan Life Insurance Company will issue an individual life insurance policy to you regardless of the state of your health.

You may choose any type of life insurance policy (except term insurance) then being issued by the Insurance Company. The new policy will be without Disability or Accidental Means Death benefits. The cost to you for such individual policy will depend upon the amount and type of policy you select and your class of risk and age at that time.

The individual policy will not become effective until the end of the 31-day period following discontinuance of your Life Insurance. However, if you die during this 31-day period, the amount of Life Insurance that was discontinued under the GM Group Insurance Plan as well as any Survivor Income Benefit Insurance for which you were covered will be paid whether or not you applied for an individual policy.

*basic hospital, surgical and medical expense coverages during retirement*

If you retire and are eligible to receive retirement benefits under the provisions of the GM Retirement Program for Salaried Employees relating to retirement at or after age 60; or retirement at or after age 55 but prior to age 60, at the option of GM, or voluntarily if your combined years of age and service total 85 or more; or under the retirement provisions relating to total and permanent disability; or if you terminate your employment at age 65 or older for any reason other than a discharge with insufficient credited service to entitle you to a GM retirement benefit, GM will pay the full monthly premium or subscription charge for

your basic Hospital, Surgical and Medical Expense coverages.

If you retire voluntarily at or after age 55 but prior to age 60 but your combined years of age and service total less than 85, and you elect to have retirement benefits start immediately or if you retire at or after age 60 but prior to age 65 and are not eligible to receive retirement benefits, you may continue your basic Hospital, Surgical and Medical Expense coverages by contributing the full monthly premium or subscription charge to the GM location from which you retired.

*continuance of basic hospital, surgical and medical expense coverages for surviving spouse*

If you should die while insured as an employee, your surviving spouse may continue basic Hospital, Surgical and Medical Expense coverages for self and eligible dependent children for two years or, if longer, for as long as (1) Survivor Income Benefits are payable or would otherwise be payable except that Mother's Insurance Benefits may be payable under the Federal Social Security Act, or (2) Survivor's Benefits are payable under the GM Retirement Program for Salaried Employees. Your surviving spouse must contribute the full premium or subscription charge each month for such continued coverages.

If you should die while receiving a retirement benefit (other than a deferred vested retirement benefit) under the GM Retirement Program for Salaried Employees or following termination of employment at age 65 or older for any reason other than a discharge with insufficient credited service to entitle you to a GM retirement benefit, your surviving spouse may continue coverages for life for self and eligible dependent children. Your surviving spouse must contribute the full premium or subscription charge each month for such continued coverages.

Arrangements may be made to have such contributions deducted from your spouse's monthly survivor benefit payments, if any, under the GM Retirement Program for Salaried Employees.

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## DISABILITY BENEFITS LAWS

If any state or Federal legislation is in effect or is enacted or amended to provide disability, hospital, surgical or medical expense benefits similar to those described in this booklet, appropriate modifications may be made in the benefits provided under the Program.

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### *California employees*

If you are an employee in the state of California, you are automatically insured for disability benefits under the State Plan provided by the California Unemployment Insurance Code. These benefits are described in the State Plan folder, DE-2515, issued by the California Department of Employment, which will be given to you.

You are not required to contribute for this coverage.

If you become disabled, you should file a claim for disability benefits at once with the California Department of Employment. It is important that you file your claim immediately because failure to do so could result in a loss of benefits in whole or in part. After you file a claim under the State Plan, the California Department of Employment will furnish you with a "Notice of Computation," with respect to your eligibility for benefits under the State Plan. This "Notice of Computation" should

be referred at once to the Personnel Department for determination as to whether additional benefits may be payable under the GM Group Insurance Plan.

If the amount of the Basic Weekly Benefit to which you are entitled under the State Plan is less than the amount of Sickness and Accident Benefits to which you would be entitled for the same period under the GM Group Insurance Plan, the difference will be payable as a supplemental Sickness and Accident Benefit under the GM Group Insurance Plan. If you are still entitled to Sickness and Accident Benefits under the GM Group Insurance Plan after expiration of the period for which Basic Weekly Benefits are payable, benefits under the GM Plan will be paid to you in accordance with the schedule set forth on pages 22 and 23.

Supplemental Sickness and Accident Benefits are payable on a monthly basis and if such benefits are payable for periods of less than one month they are determined on a pro-rata basis.

*Continued on next page*

### *New Jersey employees*

If you are an employee in the state of New Jersey, you will be insured for disability benefits under the GM Private Plan in accordance with the New Jersey Temporary Disability Benefits Law. Your coverage under the GM Private Plan starts automatically on the date you are first actively at work. Benefits for employees insured only under the GM Private Plan will be in accordance with the New Jersey Temporary Disability Benefits Law as outlined in the Private Plan Certificate which will be given to you.

You are not required to contribute for this coverage.

While you are insured under the full GM Group Insurance Plan, Sickness and Accident Benefits are provided as follows:

1. Basic disability benefits under the GM Private Plan in accordance with the New Jersey Temporary Disability Benefits Law, and,
2. Supplemental Sickness and Accident Benefits under the GM Group Insurance Plan.

Benefits are payable on a monthly basis and if such benefits are payable for periods of less than one month they shall be determined on a pro-rata basis.

No benefits are payable under the GM Private Plan for any disability for which you are entitled to Workmen's Compensation Benefits for time lost from work. However, if you are entitled to Workmen's Compensation for time lost from work because of an on-the-job disability, you may be eligible for supplemental

Sickness and Accident Benefits under the GM Group Insurance Plan. If your Workmen's Compensation payments are lower than your supplemental Sickness and Accident Benefits, you receive the difference for up to 12 months.

GM women may receive one and one-half months of benefits under the GM Group Insurance Plan while away from work because of pregnancy, childbirth, or resulting complications. These benefits include benefits under the GM Private Plan and will be reduced by the amount of any Basic Benefits which you receive or are entitled to receive from any other fund, other insurance or other arrangement provided or established in conformity with the New Jersey Temporary Disability Benefits Law on account of such pregnancy, childbirth or resulting complications.

#### *discontinuance of sickness and accident insurance*

If you leave GM, your Sickness and Accident Insurance is discontinued at the end of the month in which you leave. If the period between the day you leave and the end of the month is less than two weeks, you will be covered for statutory benefits under the GM Private Plan for that part of the two-week period which extends beyond the end of the month in which you leave, if you are still unemployed.

### *New York employees*

If you are an employee in the state of New York, during any period that you are not covered under the full GM Group Insurance Plan, you

will be insured for disability benefits under the GM Minimum Benefit Plan. Your coverage under the Minimum Benefit Plan starts automatically on the date you are first actively at work.

Benefits under the GM Minimum Benefit Plan will be payable for a maximum period of 6 months (or 26 weeks, if longer) and are as follows:

<i>If your monthly base salary is</i>	<i>Your monthly benefit is</i>
Less than \$320 .....	\$160.00
\$320 but less than 360 .....	180.00
360 but less than 390 .....	195.00
390 but less than 420 .....	210.00
420 and over .....	220.00

No benefits are payable under the GM Minimum Benefit Plan for pregnancy or for any disability for which you are entitled to Workmen's Compensation Benefits for time lost from work.

You are not required to contribute for this coverage.

#### ***discontinuance of sickness and accident insurance***

If you leave GM, your Sickness and Accident Insurance under the full GM Group Insurance Plan is discontinued at the end of the month in which you leave. The period between the day you leave and the end of the month generally will be less than four weeks. In such case, if a disability covered under the New York Disability Benefits Law commences after the end of the month in which you leave but prior to the end of the four-week period mentioned above, your benefits will be those applicable to em-

ployes insured under the GM Minimum Benefit Plan, if you are still unemployed.

### ***Rhode Island employes***

If you are an employe in the state of Rhode Island, you are automatically covered, commencing on the date you are first actively at work, for disability benefits payable from the State Fund in accordance with the Rhode Island Temporary Disability Insurance Act.

Benefits under the Rhode Island Temporary Disability Insurance Act are payable on a weekly basis and are equal to 55% of the weekly equivalent of your monthly base salary, with a minimum of \$12 and a maximum of \$45, for a maximum period of 26 weeks after a seven-day waiting period while you are unable to work because of total disability. Also, an additional allowance of \$3 for each eligible dependent, up to four such dependents, is provided.

You are not required to contribute for this coverage.

The amount of weekly benefit to which you are entitled under the Rhode Island Temporary Disability Insurance Act, including any dependent benefit, will be deducted from any Sickness and Accident Benefit to which you are entitled for the same period under the GM Group Insurance Plan. If you are still entitled to Sickness and Accident Benefits under the GM Group Insurance Plan after expiration of the period for which weekly benefits are payable under the Rhode Island Temporary Disability Insurance Act, benefits under the GM Plan will be paid to you in accordance with the schedule set forth on pages 22 and 23.



# Schedule of BENEFITS\* under

(1)  <b>YOUR MONTHLY BASE SALARY</b>	(2) <b>BEFORE AGE 65</b>			(3)
	<b>LIFE INSURANCE</b> For death from any cause	<b>EXTRA ACCIDENT INSURANCE</b> For death from accidental cause	<b>TOTAL</b> For death from accidental cause (Col. 2 & Col. 3)	
Less than \$420	\$ 8,500	\$ 4,250	\$12,750	
\$420 but less than 445	9,500	4,750	14,250	
445 but less than 470	11,300	5,650	16,950	
470 but less than 500	12,000	6,000	18,000	
500 but less than 550	13,200	6,600	19,800	
550 but less than 600	14,400	7,200	21,600	
600 but less than 650	15,600	7,800	23,400	
650 but less than 700	16,800	8,400	25,200	
700 but less than 750	18,000	9,000	27,000	

*\*In addition, the GM Group Insurance Plan provides Survivor Income*



## FOR EMPLOYEES COMPENSATED WHOLLY OR IN PART ON A COMMISSION BASIS

### SUPPLEMENT TO BOOKLET FORM G1612 GM TITLED "The General Motors Insurance Program"

As an employee compensated wholly or in part on a commission basis, you will be insured as described in the accompanying booklet form G1612 GM, with the following differences:

1. Your amounts of insurance are shown in the Schedule of Benefits below and are determined by your Annual Earnings Base (exclusive of any Cost-of-Living Allowance). Your Annual Earnings Base is related to your total annual compensation and is determined by GM each year during the month of January. Changes in the amount of your insurance because of an increase or a decrease in your Annual Earnings Base will become effective on February 1 of each year provided you are then actively at work. After you attain age 65, changes in your Annual Earnings Base will not affect the amount of your Life or Extra Accident Insurance.
2. If your Annual Earnings Base is \$10,000 or more, your monthly contribution for Life Insurance in excess of \$18,000 is 50 cents for each \$1,000 of such excess while you are at work prior to age 65 and for each month of layoff or leave of absence for which GM pays the full cost of the first \$18,000 of Life Insurance.

#### SCHEDULE OF BENEFITS\*

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
YOUR ANNUAL EARNING BASE	BEFORE AGE 65			SICKNESS AND ACCIDENT INSURANCE Monthly benefits up to 12 months	TOTAL AND PERMANENT DISABILITY If under 60 with 10 Years of Participation. Life insurance paid in installments. At least \$500 paid at death.	CONTINUED LIFE INSURANCE (After Age 65)	
	LIFE INSURANCE For death from any cause	EXTRA ACCIDENT INSURANCE For death from accidental cause	TOTAL For death from accidental cause (Col. 2 & Col. 3)			From (With 10 Years of Participation)	To (With 20 Years of Participation)
Less than \$5,040	\$8,500	\$4,250	\$12,750	\$275	\$170 a mo. for 50 mos.	\$1,500	\$2,550
\$5,040 but less than 5,340	9,500	4,750	14,250	290	190 a mo. for 50 mos.	1,500	2,850
5,340 but less than 5,640	11,300	5,650	16,950	310	225 a mo. for 50 mos.	1,895	3,390
5,640 but less than 6,000	12,000	6,000	18,000	340	240 a mo. for 50 mos.	1,800	3,900
6,000 but less than 6,600	13,200	6,600	19,800	375	264 a mo. for 50 mos.	1,960	3,960
6,600 but less than 7,200	14,400	7,200	21,600	410	285 a mo. for 50 mos.	2,160	4,320
7,200 but less than 7,800	15,600	7,800	23,400	450	312 a mo. for 50 mos.	2,340	4,680
7,800 but less than 8,400	16,800	8,400	25,200	490	336 a mo. for 50 mos.	2,520	5,040
8,400 but less than 10,000	18,000	9,000	27,000	530	360 a mo. for 50 mos.	2,700	5,400
10,000 but less than 11,500	20,000	9,800	29,800	530	400 a mo. for 50 mos.	3,000	6,000
11,500 and over	23,000	9,800	32,800	530	460 a mo. for 50 mos.	3,450	6,900

\*In addition, the GM Group Insurance Plan provides Survivor Income Benefits for eligible surviving spouses of insured employees as described on page 9.

# the GM Group Insurance Plan

<b>SICKNESS AND ACCIDENT INSURANCE</b> Monthly benefits up to 12 months	<b>TOTAL AND PERMANENT DISABILITY</b> If under 60 with 10 Years of Participation. Life Insurance paid in instalments. At least \$500 paid at death.	<b>CONTINUED LIFE INSURANCE (After Age 65)</b>	
		From (With 10 Years of Participation)	To (With 20 Years of Participation)
\$275	\$170 a mo. for 50 mos.	\$ 1,500	\$ 2,550
290	190 a mo. for 50 mos.	1,500	2,850
310	226 a mo. for 50 mos.	1,695	3,390
340	240 a mo. for 50 mos.	1,800	3,600
375	264 a mo. for 50 mos.	1,980	3,960
410	288 a mo. for 50 mos.	2,160	4,320
450	312 a mo. for 50 mos.	2,340	4,680
490	336 a mo. for 50 mos.	2,520	5,040
530	360 a mo. for 50 mos.	2,700	5,400

***Benefits for eligible surviving spouses of insured employees as described on page 9.***

This announcement summarizing the GM Insurance Program is presented as a matter of general information only. The detailed terms and conditions of the General Motors Insurance Program for Salaried Employees as now or hereafter modified or supplemented and the Group Contracts issued pursuant thereto shall govern with respect to all matters referred to in this booklet.

General Motors believes wholeheartedly in this Insurance Program for GM men and women, and expects to continue the Program indefinitely. However, it reserves the right to modify, revoke, suspend, terminate, or change the Program, in whole or in part, at any time, except as limited by the provisions of the Group Contracts, or their supplements, and the provisions of any applicable Federal or state laws.

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